

APRIL

NATION'S

1944

MAR 30 1944

PERIODICALS
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BUSINESS



Taxes and Jobs

By Eric A.
Johnston

PAGE 22

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ANN ARBOR MICH



THREE REASONS WHY *The* **Martin Mariner** **IS POISON TO U-BOATS!**

THE Navy is frequently silent on sub-sinkings. But when you read of convoy after convoy getting through, you know Martin Mariners are at work. From Iceland to Rio these big 20-ton flying boats help guard the sea lanes, ready at a moment's notice to unleash a storm of gunfire and depth charges on lurking killers of the deep. They're deadly poison to U-boats!

WHY MARINERS ARE TOPS AGAINST SUBS

Take a look at the picture above and note the big sturdy hull. That means

seaworthiness, the ability to take off or land in rough weather, maintaining the constant, never-ceasing hunt for U-boats. Then look at the broad tail with its twin fins. That gives stability, a steady platform, assured accuracy in bombing. Finally, there's the spread of those long, gull-wings. Such wingspread enables Mariners to "coast" through the air, with engines throttled down for minimum fuel consumption, permitting them to stay aloft hours longer. In addition, these tough PBM's pack sufficient firepower to slug it out with a U-boat's guns

when making low-level attacks. The Mariner was designed as a scourge for subs!

YOUR OWN COMMAND

When you pilot a Martin Mariner, you're leader of an eleven-man crew. If you've got what it takes to fly, you belong in the Navy Air Force. It's a real opportunity to learn the trade of the future . . . aviation. Even now Martin has completed plans for giant 150-ton "flying hotels," the transportation of tomorrow. Such ships, weaving an aerial network over the world will require crews of expert fliers. You can be one of them, if you start now to win your Navy Wings of Gold!

THE GLENN L. MARTIN COMPANY
BALTIMORE-3, MARYLAND
The Glenn L. Martin-Nebraska Company—Omaha

Martin
AIRCRAFT

Builders of Dependable Aircraft Since 1909

OFFICIAL NAVY PHOTOS SHOW MARTIN MARINERS SINKING NAZI SUB



BOMBS AWAY! Strings of depth charges cascade from Mariner's bays. Extra-big bomb capacity enables Mariner to drop lethal patterns of explosives, blanketing target area.



DIRECT HITS! Straddled by depth charges, sub is forced to surface, crippled. Twin tail fins, assuring stability, permit accurate bombing like this, make Mariners the scourge of subs.



HELPLESS! Unable to submerge or flee, U-boat lies helpless. Mariner, designed to stay aloft for very long periods, circles watchfully until destroyer arrives to polish off the sub.



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VOL. 32

APRIL, 1944

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Cover photograph by Harold M. Lambert

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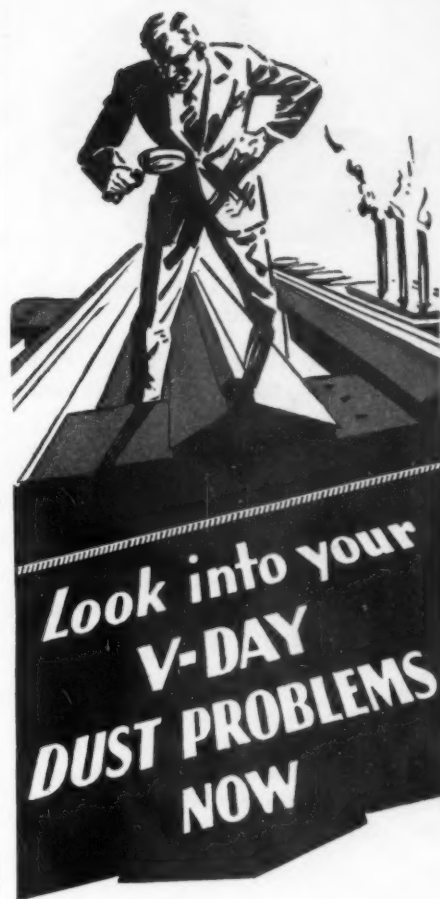
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Although the editors will make every effort to return unsolicited manuscripts promptly and in good condition, Nation's Business cannot accept responsibility for loss or damage of this material.



. . . and let us help you!

Regardless of what you will manufacture POST-PEACE—the chances are 99 to 1 that dust control will present a problem you'll be faced with solving. That is why we are suggesting NOW that you let us plan with you on your future needs for either atmospheric or process dust control.

This offer to study your problem and make recommendations, without cost to you, is a service which will facilitate your and our post-peace operations, and obtain the quickest possible delivery of equipment when priorities are lifted.

Our engineering department is ready to help you now and can blueprint your dust control system for order when it is needed.

Write for helpful booklet "AAF in Industry".

AMERICAN AIR FILTER CO., INC.

109 Central Avenue, Louisville, Kentucky
 In Canada: Darling Bros., Ltd. Montreal, P. Q.



ENGINEERED DUST CONTROL



Twice in a lifetime

He was just a little fellow a dozen years ago.

Too little to know — or care — that even as he slept, General Motors men in a distant laboratory were putting the finishing touches on a special new refrigerant later given the trademark, "Freon."*

Much too little to understand that the real reason for developing this new compound was the safety of just such sleeping youngsters as himself.

That it was important because it provided the last link in perfect safety for home or hospital refrigeration, ending even the remote risk of toxic harm in the unlikely event of leaks in the cooling system.

He is grown now, and off fighting for his country on a South Pacific island.

*Trade-mark registered. "Freon" is made and sold by Kinetic Chemicals, Inc.

He is old enough to know that one of his deadliest enemies there is the mosquito, carrier of malaria.

The interesting thing is that it is "Freon" that now comes to his aid. Twice in his lifetime, this one result of General Motors research is paying off in personal protection for him and his kind.

For when mixed with chemicals to kill mosquitoes, this compound makes a new and better kind of insect spray. Unlike heavier sprays that fall to the ground, it evaporates almost instantly, leaving the mosquito-killing compounds floating suspended in the air.

"Freon" was not developed as a war product. It came about because General Motors, seeking

to provide more and better things for more people, never stopped trying to make better refrigerators for American households.

But because it was known and familiar, it was available when the war need appeared — just as it remains at hand for future peacetime developments.

The idea that built America — the idea that men accomplish most when they can win a just reward for doing great things — has served the country well in war.

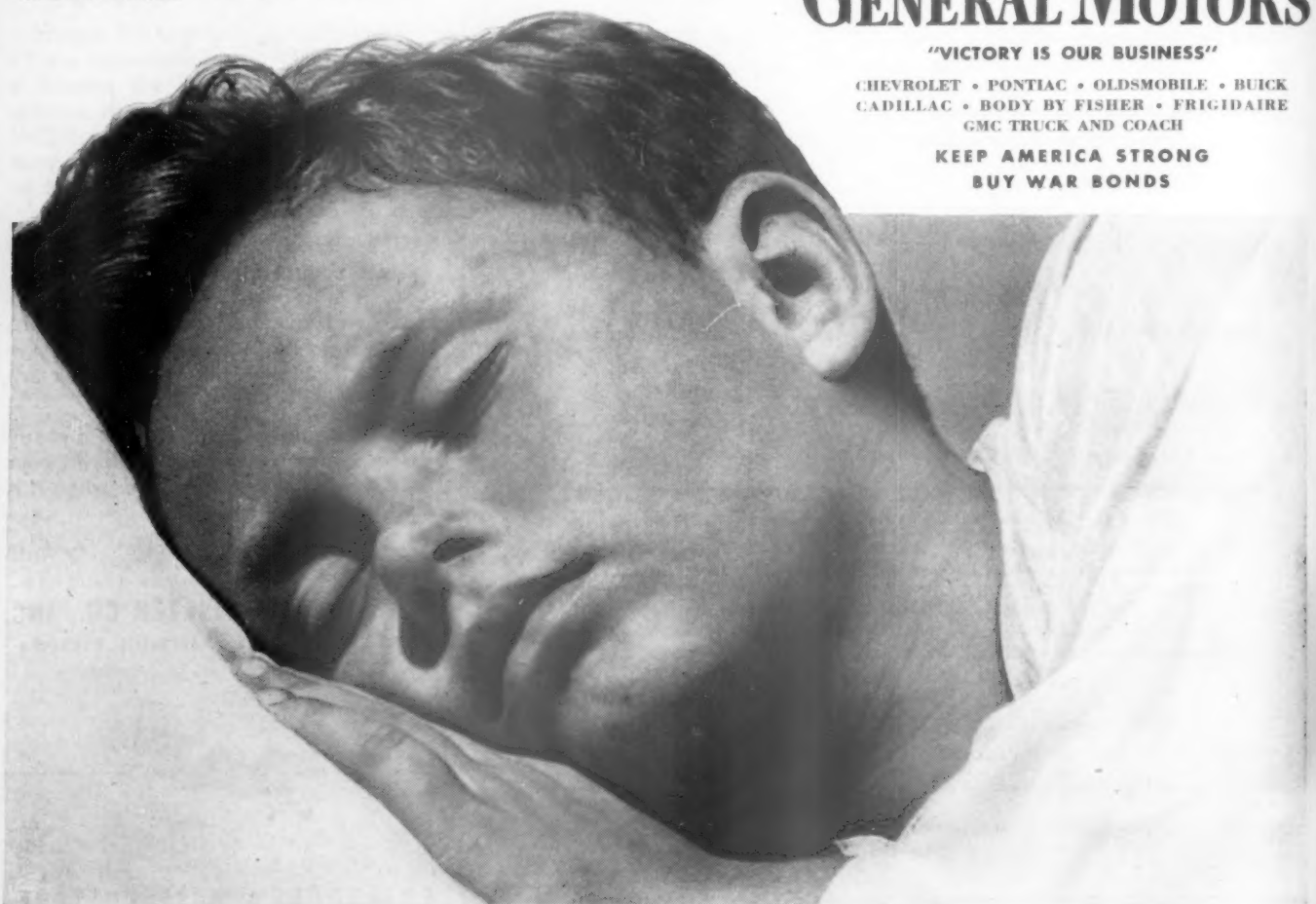
And the same idea will keep on providing more and better things for more people in a world restored to lasting Peace.

GENERAL MOTORS

"VICTORY IS OUR BUSINESS"

CHEVROLET • PONTIAC • OLDSMOBILE • BUICK
CADILLAC • BODY BY FISHER • FRIGIDAIRE
GMC TRUCK AND COACH

KEEP AMERICA STRONG
BUY WAR BONDS



Far sighted manufacturers are
selecting their post war
Pacific Coast factory sites now



Liveability

INCREASES PRODUCTION

Before you establish a plant in Santa Clara County...*throw away your expected production schedules!* You'll find that production increases as much as 15%!

THE REASON? There's room in Santa Clara County. Room for detached suburban homes and small ranches. Workers really live...a healthy, outdoor life... 12 months a year. And they work all the better for it.

DON'T FORGET CLIMATE, either. No intense cold in winter... no strength-sapping heat in summer. A perfect year round climate for peak production.

You'll find Santa Clara County has central location...a wealth of raw materials... low taxes...and plenty of land. But why not get all the facts?

WRITE TODAY!

"Post War Pacific Coast"
presents
the factual story of Santa
Clara County.
Write for it today.



DEPT. N

**SAN JOSE CHAMBER OF
COMMERCE
SAN JOSE, CALIF.**

SANTA CLARA COUNTY *California*



The population
center of the
Pacific Coast

Through the Editors' Specs

Ringside seat

ANY SIMILARITY between the major articles in this April issue and the main issues exciting Congress and the daily press this month is entirely intentional. We have a little deal with Congressmen, whereby we let them argue for the *Congressional Record*, and they let us explain to business men why and how the argument started.

Starting with Donn Layne's article about plans for returning service men, through Lawrence Sullivan's article on industrial reconversion, Jack Wallach's discussion of OPA's renewal, and James L. Wick's comments on inflation, the reader gets one interesting national problem after another.

In Eric A. Johnston's article on taxation and job makers, and Junius B. Woods' suggestions for pulling Germany's mental claws, we were looking further ahead—but still staying with problems that will make congressional arguments eventually.

Who's your congressman?

SOME years ago a member of our staff was made richer by one case of Canada Dry ginger ale (adv.), a beautiful diploma, prize money and some side-bet-cash because he accepted the challenge "Wake Up, America, and stump the experts!" and sent a simple question to *Information, Please*.

He merely asked:

"Name your congressman."

That did it. Men who are familiars of Keats, Shelley, Shakespeare, Euclid, Newton, Darwin, Huxley, Hall, Gresham and Dick Tracy didn't know their congressmen from Adam.

We got to discussing the significance of this and were drawing some learned conclusions about it when the same staff member, who seems to us to be in a rut, quietly asked:

"Name your congressman."

We didn't give him a case of ginger ale but we did the next best thing. We went around to meet our congressman. It was no trouble at all.

We didn't even have to explain to his pretty secretary why we wanted to see

him. She just asked our name, took it in to him and within a few seconds we were ushered into the presence of a healthy-looking, blue-suited, soft-speaking individual—our congressman in the flesh!

A lawyer, he had been born, raised and educated in the district he represented. After 14 months of active service overseas in the last World War, he entered state politics and worked his way up from state senator, national delegate and majority floor leader to Washington. This is his fourth term.

He likes the work but he wishes some of his constituents would permit him to spend more time on national and congressional affairs.

Only last week a couple of soldiers wanted him to arrange a transfer of bases for them; three men and one girl wanted government jobs in their home towns; four OPA law breakers wanted him to help with their appeals; five wanted help in getting deferments from their draft boards; and one fellow wanted the mosquitoes chased away from his home.

He asked how we or anybody else can expect a congressman to keep tabs on pending legislation and vote intelligently when he is constantly called upon to act as a travel bureau, an employment agent, a court of inquiry, a draft board, a public health department and an information office. We didn't know.

Besides, we took the hint and left.

Note to editors

MOBILE, Ala., takes pride in being "America's Fastest Growing Wartime City." According to the Bureau of Census Report, No. 38, Series P-3, the population increase there was estimated at 64.6 per cent from the time of the 1940 Census to March 1, 1943.

Naturally, then, Mobile was not well pleased with our statement in the February "Management's Washington Letter": "Greatest population increase in a metropolitan area was at Norfolk-Newport News, Va., 42.2 per cent."

We have a standing office rule that nothing is ever the "first," or "best" or "biggest." Every time we say that, some-



"Victories call for More and More Materials"

—Donald M. Nelson

Never in all history has war been so costly.

Supplies are used up at an astounding rate.

And carrying this equipment and materials in ever increasing quantities is the big job right now for Erie and other American Railroads.


For example: In some campaigns, uniforms wore out in a week . . . a division used up all its guns in one month's campaign . . . many troops required new shoes after 3 days of fighting . . . two divisions engaged in jungle warfare had to be completely re-equipped with almost 1500 new vehicles.

After every victory, occupied territory must be restored to useful purpose. This, too, creates terrific demands for thousands of items of supplies.

Equipment, food, fuel and munitions must reach fighting men in time—must be transported often halfway around the world.

With the continued help of shippers, government agencies and the public, Erie and other American Railroads will not fail your fighting men.

 23,578 FREIGHT TRAINS DAILY

 1,408,964 FREIGHT CARS DAILY

 25,000,000 NET TONS DAILY

AMERICAN RAILROADS AT WAR

BUY WAR BONDS AND STAMPS

Erie Railroad

ONE OF AMERICA'S RAILROADS—ALL UNITED FOR VICTORY



thing earlier or better or bigger always turns up. We wish we'd obey that rule. For that matter, we wish everybody would. We took our figures from a report of the Bureau of Foreign and Domestic Commerce. That report didn't mention Mobile at all. The Bureau of Census report credits Norfolk with a growth of 45.2 per cent.

Note of cheer

BOTH arithmetic and red tape took a terrific beating last month.

When Paul Skobbeko, honorably discharged veteran, decided to resume his coal business in Astoria, New York, he found that, under the law, he was only permitted to sell 90 per cent as much coal as he sold in the same period last season. In the Army last season, he didn't sell any.

Local authorities were sorry, but helpless so Paul wrote a letter to the Solid Fuels Administrator in Washington. Now he's back in the coal business.

C. J. Potter, deputy Solid Fuels Administrator, waived the fact that the Skobbeko purchase records were not only incomplete but didn't match those of New York City's Bureau of Weights and Measures. He checked over purchase slips, supply sources and dealers' weigh tickets. Then he established a base period and set up an allotment quota. Moreover, since Paul's former supplier couldn't handle his business because of previous contracts, Mr. Potter found a new supplier.

The good old days

A VIRGINIA business man ran across his former houseman on the street the other day, and they fell into their old habit of talking man-to-man. The former houseman, en route home from a full day's work in a torpedo factory, which pays him lush war wages, scraped imaginary circles on the sidewalk with the toe of his shoe and launched a conversation which went something like this:

"Boss, election year is supposed to mean poor business. Do you think we'll get a depression this year?"

"That's an old and disproved idea. Depressions and booms have nothing to do with elections. As a matter of fact, I think 1944 is going to set some new business records."

"Well, Boss, I was sort of hopin' for another depression—not a big one, unnerstan'—but a small, stiddy one. Man! I lived better in that ole depression than I'm livin' now."

"Sam, you'll have to explain yourself. I don't get you—here every one has a job nowadays, debts are all paid up, no bread-lines. What are you talking about, anyway?"

"I'll tell you, suh," said Sam. "I don't want to see no bread-lines, an' starvin' people. No, suh! All I says is that me and mah wife live better in a depression. Why, look-a-here, Boss: Few years ago you allus gave me your ole Brooks Brothers suits, but no one gives their ole suits away now. They keep 'em their-

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selves until they wears 'em out. Nobody ain't give me as much as an ole straw hat. Mah wife don't get no silk stockin's from her missus, anymore; no dresses, never brings home no buttah, no meat. We'se payin' income tax, state and fed'ral. Our car's busted down and 'nuther one would cost maybe \$500 or \$600. We used to get 'em for \$75 or \$100, with at least fo' good tires.

"We ain't ben for a ride on Sunday in a yeah. Go up town to a movie and can hardly git in a bus. All the stores either charge too much or ain't got what you want anyhow.

"Boss, you allus talk too much about them indexes, national wealth figgers and budgets. I bet if you look at your own self you be better off with a stiddy depression, too, just like me."

The business man walked on home in deep thought. He mixed himself a drink, but didn't enjoy it much.

Hidden adventure

IN NEW YORK the other day, where we had gone to talk to some writers about future articles for NATION'S BUSINESS we happened to look out the hotel window.

From there we could see several floors of nearby office buildings. It was a gruesome sight. Inevitably we saw aisles and aisles of desks—covered with papers on which people were making marks.

We've thought about this and thought about it. So far we can think of nothing to do about it—or even say about it. But we wonder if that isn't one of the things that is wrong with business. We don't mean the paper work. Undoubtedly that was necessary. But isn't that the view that too many people get of business—just men drably shuffling papers at desks.

Obviously there was romance, adventure, achievement enough for a thousand novels hidden among those papers—they represented ships at sea, trains roaring across bridges, trucks stabbing the night with headlights. Men in mines, in fields, on high poles fixing power lines. Engineers in far places spanning rivers, gouging into mountains, taming torrents.

But the public doesn't see those things and business seldom mentions them.

"Look," business says, "here is a report—"

So young men with a taste for adventure too often go off somewhere else. They see only the aisles and aisles of desks—littered with papers.

Feminine paradise

SECRETARY of Labor Perkins' prediction that the field of electronics and television offers a "veritable promised land" for women workers after the war reminds us that we know a girl who is really at the top in that industry and that she tells a pertinent story:

Our friend, whose knowledge and energy outran her strength, found herself, by doctor's orders, on a Florida beach for relaxation and sunshine. Bored by inactivity, she hauled out a polyphase duplex slide rule and was just approach-



INSTALLED 280 YEARS AGO



STILL IN SERVICE

In the year 1664, the King of France ordered the installation of a cast iron water main to supply the town and parks of Versailles. Unless recently bombed out, this water main, a section of which has been photographed as shown

above, is still in service. The long life of cast iron pipe, its low maintenance cost and its salvage or reuse value, are reasons why more than 95% of the water mains in the United States are cast iron mains. They serve for centuries.

NO. 1 TAX SAVER



CAST IRON PIPE RESEARCH ASS'N, T. F. WOLFE, RESEARCH ENGINEER, 122 S. MICHIGAN AVE., CHICAGO 3

CAST IRON PIPE SERVES FOR CENTURIES



The SERVICE the Nation needed

SET TO GO, but held by a brake. Goods ready to move faster and surer, but no adequate way to do it. That was America's business situation in 1839. William Harnden had the idea for a railway express service. "I'll carry your goods for you," he advertised to Boston and New York. And he did, at *passenger speed* in a wooden car between Boston and Providence which was where the railroad ended; and between there and New York by steamboat. That was the transportation service idea people and business needed. And as the idea grew, it helped broaden our young nation, unite its spreading frontiers and hasten its growth and development.

Today, 105 years later, Railway Express is performing by land, water and air the same basic personalized express service. The goods it carries now are mostly war materiel. In peacetime, they will again encompass every conceivable personal item as well as the products of industry.

You, as a shipper, can help us carry our share of America's wartime transportation load and serve you better by doing two simple things. Pack your shipments securely...address them clearly. Our century of experience proves that "a shipment started right is half-way there!"



NATION-WIDE

RAIL-AIR SERVICE

ing the outer limits of the Helmholtz theory when another girl tapped her on the shoulder:

"Pardon me," she said, "but my boy friend and I would like to know where you got that solitaire game you're playing. It seems to be such fun."

Which brings up a point that Secretary Perkins may have overlooked: The veritable promised land the majority of our present 16,000,000 women workers wants involves falling in love, getting married, making homes and raising babies.

If it doesn't, the nation is doomed—again.

"White" spots

IN THE MAIL is a criticism of a recent article—a criticism so fair, so discerning and so good-natured that we are tempted to print it even though the critic did not sign his name.

Discussion about how much consideration should be given to anonymity reminded a man who used to know the late William Allen White of the time that beloved editor of the Emporia Gazette vastly desired anonymity.

Mr. White was discovered by a friend in the Muehlebach Hotel in Kansas City and invited to attend a luncheon being given by Missouri Democrats for Senator James Reed. Mr. White protested that a life-long Republican had no place at a meeting honoring such a deep-dyed Democrat as Jim Reed, but finally went along.

When he entered the dining room the chairman buttonholed him and asked if he would give the invocation. Mr. White hesitated only a moment.

"No," he said, "I better not. I don't want God to know I'm here."

THAT led naturally to the story of Mr. White's handling of the protest of a professor at the State Teachers College who insisted that a reporter had been unfair and inaccurate in writing about a canoe upset in which the professor had been dumped into the Cottonwood river. Mr. White replied that the reporter was an experienced observer, a careful reporter, and an accurate writing man. Furthermore, Mr. White said, the reporter had checked his facts with Justin Soden, a responsible business man who had witnessed the accident.

"I'd rather take the version of this reporter," Mr. White said, "and of Justin Soden, than of a professor who doesn't know enough to keep out of a canoe when the river is up."

Victory salvo

THE RUSSIANS have a practice of firing a couple of hundred guns to celebrate a victory.

Churchill would rather have the British do their victory celebrating by ringing bells.

Pennsylvania's Representative Hugh D. Scott offers an American formula:

"The United States should celebrate its next victory by firing a couple of hundred bureaucrats."



CORROSION EATS PRICES UP

Corrosion is waste. It increases costs.

As the future points more clearly to a chemistry-made civilization, the prevention of corrosion will become increasingly more important as a means of lowering prices. And that's the road to more money in everybody's pocket.

Alcoa Aluminum Alloys have great resistance to corrosion.

Railroads find that hopper cars carrying sulfurous coal have an enormously increased life if built of aluminum. Food processors cap their containers with aluminum because aluminum resists corrosion from food acids; nor does the aluminum discolor or disflavor the contents. As for weather or city fumes—aluminum just laughs them off.

Yet corrosion, like poverty, is everywhere. Aluminum's high resistance to corrosion makes it the logical place to start your plans for

imagineering corrosion out.

Aluminum is, therefore, also a prominent factor in the fight against a high level of postwar prices.

If the expense of maintenance and replacement in production equipment can be reduced, then the cost

of the products also will be reduced.

More people will be able to buy. Therefore more people can be employed. Thus turns a virtuous circle. This is the very circle of economic health you and we both are waging this war to win.

Whether you use aluminum to prevent the corrosion of capital equipment or the rusting and discoloration of products—one thing you must be able to depend upon is the uniformity of the aluminum.

In such a highly processed metal, uniformity is achieved by controls with greater foresight and judgment than can be expected of the best mechanical devices. The worker's *knack* goes into it—engineering experience that only years can develop.

Experience in aluminum—that is an Alcoa characteristic.

ALUMINUM COMPANY OF AMERICA,
2125 Gulf Building, Pittsburgh, Pa.


Resistance to corrosion

ONE OF

12 REASONS FOR USING

ALCOA

ALUMINUM



SUBWAY to the STRATOSPHERE



Official U. S. Army Air Forces Photograph

Problems arise when our planes go 'way up and temperatures go 'way down. Fliers are conditioned and many of their problems are solved on the ground by these "trial flights" in cold weather chambers.

Some difficulties appear only in actual flight and combat. For instance when our bombers were seven miles up and the temperature down to 85 or 90° below — bomb-bay doors refused to open, controls failed, cameras didn't click.

Going to work on this, The Texas Company developed a brand new lubricant—"LOW-TEMP" grease—that won't "freeze" even in the extreme

and paralyzing cold of the sub-stratosphere.

That is just one example of Texaco lubricants solving a problem. Every day in industry they are insuring precision control in critical machine operations. And — every day, any day, industry is provided with a quick, convenient source of supply for Texaco quality cutting oils, coolants and lubricants — *through more than 2300 wholesale supply points.*

Furthermore—wherever industry is located—skilled Texaco engineers are available to see that Texaco petroleum products perform — efficiently and economically.

THE TEXAS COMPANY

—in all
48 States



We never knew what this machine could do

SURE—we knew right along that Addressograph machines could write business forms and records at the rate of 85 a minute—with 100% accuracy.

We knew that before the war these machines were cutting costs and saving time in payroll writing, inventory taking, check writing and dozens of other office procedures.

Then war came. And with it the need for speed-up in all phases of business—factory, office, warehouse, shipping room. Soon Addressograph users were telling *us* that their machines were being used for production control, tool crib control, War Bond writing, allotment check writing, parts identifica-

tion and countless other war jobs—many of them *new* applications.

Almost daily we hear of new ways to simplify business methods with Addressograph equipment. So broad are the possibilities we may never find out all the things it can do.

Addressograph (and Multigraph, made by the same company) can speed up the handling of 80% of all paper work in business. If you are an Addressograph user, chances are we can help you extend the use of your equipment—save time and money. We will be glad to show you how. Write or call Addressograph-Multigraph Corporation—Cleveland and all principal cities.

Addressograph

TRADE-MARK REG. U.S. PAT. OFF.

SIMPLIFIED BUSINESS METHODS

Addressograph and Multigraph are Reg. T. M.
of Addressograph-Multigraph Corp.





It takes tons of PAPER to light a city

Paper charts in generating plants and substations enable the operators to govern the flow of electricity. Paper instrument graphs aid in providing power every minute of the day and night.

Without transmission, conversion, and distribution records . . . without load diagrams, daily operating reports and all the other vital pieces of paper, a modern electric power system would be completely paralyzed.

In a single year the power industry needs over 20,000,000 pounds of paper for 3,500 different uses—not to mention the familiar monthly bills which, if laid end to end, would wrap twice around the world!



*Levelcoat** **PRINTING PAPERS**
IN WARTIME

**KIMBERLY
CLARK
CORPORATION**
NEENAH, WISCONSIN

In producing Levelcoat Printing Papers during the war, at Kimberly-Clark the keynote is conservation of our nation's critical resources.

But, while conserving, Kimberly-Clark is dedicated to the manufacture of the highest quality Levelcoat it is possible to make under wartime conditions.

*TRADE MARK

ALL THE

Comforts OF ROOM!



The day is coming when a train trip will again be something to look forward to eagerly — something to be enjoyed at ease, in spacious comfort — and all at moderate price. That of course will be after the war is won.

It will be when the armed forces no longer need nearly half of all our passenger equipment to move fighting men. It will be when many coaches and Pullmans now busy in war service can be honorably retired to make way for

new cars with comfort, convenience and thoughtful appointments beyond anything the past has known. That will take money — vast sums of money. It will take time. But we believe that it is worth while today to tell you what we plan for tomorrow — to help you realize that the wartime service we are able to give today is by no means a sample of what's in store for the future.

**ASSOCIATION OF
AMERICAN RAILROADS**
ALL UNITED FOR VICTORY



As good as the name they bear!



JUST because these stalwart new Goodyear tires are built of synthetic rubber does not mean that they are hurry-up products rushed out to meet the emergency.

The fact is, Goodyear first began the search for a purely American synthetic rubber back in 1924, and patents featuring basic processes date from 1927.

From this early beginning, the Goodyear Research Laboratory steadily explored the synthetic rubber field and produced America's first *all-synthetic* passenger car tire in 1937.

So when war came, Goodyear was ready with the technique, the skills of synthetic tire manufacture. Only raw materials in quantity were lacking; a deficiency now miraculously made good through the pooled resources of industry, science and government.

Hear Goodyear's Two Great Radio Shows — **WALTER PIDGEON** in "The Star and the Story" — CBS — Sunday evenings. "**HOOK 'n' LADDER FOLLIES**" — NBC — Saturday mornings. See local paper for time and station.

BUY WAR BONDS TO SPEED VICTORY

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THE GREATEST NAME IN RUBBER



PRODUCTS OF GOODYEAR RESEARCH

That is why you will find these new Goodyears to be as good as the name they bear — a name that stands for quality so superior it has been true for 29 years "more people ride on Goodyear tires than on any other kind."

On the basis of extensive tests, we have no hesitation in recommending them to you as today's finest example of the art of synthetic rubber tire manufacture.

As a buyer, you are further assured of getting all the usefulness we have built into them through the competent service of Goodyear dealers — the largest

NO OTHER SYNTHETIC RUBBER TIRE OFFERS YOU ALL THESE ADVANTAGES

1. Twenty years' experience with synthetic rubber
2. Tough, sturdy carcass of low stretch Supertwist cord, built to prewar quality
3. Tested non-skid safety from time-proved Goodyear tread design
4. Maximum wear from scientific Goodyear design that keeps tread under compression
5. Greater experience evidenced by Goodyear's record in building more than 350,000,000 pneumatic tires — millions more than any other manufacturer

Supertwist—T.M. The Goodyear Tire & Rubber Company

and best-equipped tire organization in the world.

With tires as precious as they are today, the long experience behind these tough, durable, new Goodyear synthetic rubber tires is your best guarantee of satisfaction. The fact they bear the greatest name in rubber shows they have proved their merit!

ANOTHER REASON FOR CHOOSING GOODYEARS

Next to quality, competent service counts most in getting full performance from tires. Goodyear dealers comprise the largest, most efficient, veteran tire service group in the world.



MANAGEMENT'S

Washington LETTER

A last minute roundup by a staff of Washington observers of government and business

MANAGEMENT PLANS FOR NEXT THREE MONTHS must distinguish clearly between the real and the purely political in all pronouncements from Washington. (State presidential primaries start this month.)

Politics will not impede war program; basic war powers will be extended; but postwar policy commitments will be nebulous.

► FEDERAL LOANS to housing, agriculture, credit unions, etc., are under Congressional microscope.

Banking Committee studies show federal corporations, often competing with local banks, charge most of operating expenses to U. S. Treasury, pay no interest on government revolving funds.

Some 35 federal agencies and subsidiary corporations in loan-and-grant lines do not submit annual reports to Congress or General Accounting Office.

Senate Committee members have received detailed studies of federal loan operations in several localities, showing only 1 in 9 branches cover operating expenses from regular revenues; only 1 in 14 pay interest on borrowed federal funds.

Final Treasury loss through varied finance activities estimated as high as 20 per cent of total loans (excluding war industry advances).

► A CEILING ON FEDERAL INCOME TAX RATES is urged vigorously throughout the states. Fifteen legislatures already have approved proposed constitutional amendment which would limit federal income taxes to 25% rate in peacetime.

Unless federal taxing power is limited states feel that ultimately nothing will be left for their revenues. Issue will be advanced as a plank in 1944 party platforms.

Minimum postwar budget estimated at about \$20,000,000,000 a year, on long term averages.

Proposed maximum income tax rate of 25% would carry that budget, with sound provision for debt retirement.

Furthermore unlimited tax rates on business would discourage new inventions and industrial developments needed to sustain national employment at prosperity level.

► RAIL CARRIERS are up to their ears in "invasion freight"; report overseas car loadings 50% above year ago.

All domestic business plans should anticipate slower shipments over next 90 days.

Freight-space conservation on your shipments will be vital contribution to victory.

► YOUR POST-WAR LABOR RELATIONS PROGRAM probably will include group medical insurance for workers and families—and an increased cost of doing business.

Nation-wide study by Opinion Research Corp. shows only 8% of population favors federal health insurance and care supported by increased Social Security pay roll deductions.

But 39% favor systematic prepayment of medical care on insurance principles under employer sponsorship. For whole nation, 63% favor some plan "to make it easier to pay doctor and hospital bills."

Every year 58% of population see a doctor (not including dentist). But only 33% are home in bed more than 1 day.

Measured in family units, 59% spend less than \$50 yearly for doctors; 34% spend over \$50, and 7% don't know total.

On reasonableness of doctor bills 77% of total population said not too high; while 21% said "too much." (On hospital bills, 17% said too much.)

Today, 22% of U.S. workers are covered by employer-supported medical plans at group-insurance rates ranging from 80c to \$2 weekly pay roll deductions, varying with number of dependents; and 41% more say they would be interested in such a plan.

Significance: approximately 80% of U. S. population find prevailing medical system satisfactory and adequate; remaining 20% feel family medical costs are burdensome.

► ALL FOOD PACKERS will be interested in new OPA-T-1838 governing advance borrow-

ing of food points for seasonal peak operations.

Present order applies only to fish canning, but may mean pattern for other packers and processors. They may borrow food points until May 1; thereafter must revert to "cash basis" on points.

Loans were designed originally to facilitate seasonal-peak canning operations requiring more than one-quarter of year's points. New plan aims to conserve storage space and force larger use of fresh items in season.

► PACIFIC WAR is moving far ahead of original Navy schedule, thanks to tremendous industrial production in combat ships, long-range planes, and fast tankers.

Japanese Navy now is limited in range of combat operations to 2,500 miles from homeland bases.

Because of lack of shipping, Japan cannot move tin, rubber, oil, drugs, from conquered areas; therefore, cannot maintain minimum replacement production on primary military items at home.

► UNCONTROLLED USE OF MAGNESIUM in civilian products is urged by Truman Committee, which finds current production ahead of war needs. Urges pioneering in new industrial uses.

"Production has increased to the point that Government agencies are experiencing difficulties in locating storage space for the metal."

U. S. investment in 13 new magnesium plants is \$370,000,000; our 1944 production scheduled at 265,000 tons, compared with domestic use of 1,250 tons in 1939.

Committee credits Dow Chemical with pivotal—probably decisive—war contribution in magnesium development; plants "reached 100% production within 5 to 7 months from the start of operations."

Charges that domestic metal producers retarded prewar developments in magnesium alloys for naval and air equipment brought countercharge that principal government procurement agencies preferred aluminum—because of vast production capacity, lower cost, and perfected alloying formulae.

► PRICE CONTROL debates will explore legal methods by which Congress may "veto" excessive actions of Executive agencies.

Whole economic stabilization program

expires June 30; will be extended with major administrative amendments.

One proposal before Senate Committee would specifically authorize invalidation of Executive Orders judged by a majority of both House and Senate to be beyond scope of powers delegated by Congress.

Courts almost never grant injunctions against wartime powers. So Congress wants to reserve right of running review of Executive actions.

Note: under Constitution war powers in general are vested in Congress; executive departments get emergency powers only by delegation from Congress.

"What Congress gives, it also may take away."

Watch progress of this new legislative attitude during next 3 months as guide to pattern of postwar controls.

► FEDERAL RADIO REGULATIONS must be modified before Congressional recess, say majority members of House investigating committee, which now has more than 3,000 pages of sizzling industry testimony in its record.

FCC Chairman Fly commands White House support in his unyielding position resisting amendments; may set off another Congressional explosion.

James M. Cox, Democratic presidential nominee in 1920 (when FDR was his running mate), charges: "I am convinced Fly wants radio to be turned over...to the Government...."

Chairman Wheeler, of Senate Commerce Committee, says FCC now "dictates" placement of commentators showing cordial political predilections; sponsors may not select commentators or masters of ceremonies beyond approved FCC list of availables!

Wheeler urges mandatory equal division of radio time for discussion of vital public questions.

Practical significance: Concern lest Washington control radio to its advantage in coming election.

► NEW DEMAND FOR SKILLED MECHANICS in Navy may affect draft deferment status of your trained craftsmen.

Fleet is organizing a new service arm, the Ship Repair Unit, to be a counterpart of the heroic Seabees; needs Diesel engine mechanics, radio technicians, electricians, welders, blacksmiths, boatbuilders, caulkers and coppersmiths.

New units will operate island service

stations for patrol-torpedo scouts, combat ships and landing craft.

Number of men needed for new service is not revealed; but will be large enough to make the new technical draft felt in many war plants.

► **FIRE LOSSES** in U.S. industry are currently far ahead of "calculated risks" anticipated by government agencies.

Prompt relaxation of WPB restrictions on fire extinguisher equipment and protection devices is demanded to check excessive inroad on war plants.

Municipal fire-fighting equipment has been maintained in good shape, but military draft has reduced efficiency.

National Fire Protection Association finds there were more than 500 big fires in year ended December 7, 1943. Many of them ran into million-dollar losses, or more; directly impeded war effort through destruction of facilities, supplies, and military property.

Despite tremendous expansion of industrial capacity in war, fire extinguisher materials and chemicals have been curtailed drastically; priorities for such equipment often have been delayed for weeks, leaving large plants dangerously underprotected.

When January losses showed another increase, National Fire Waste Council asked prompt action by Army Procurement Services and WPB.

► **NEW TABULATION OF COUNTY POPULATIONS** compiled by OPA, effective April 1, adds 47 counties to those entitled to extra rations for industrial users of food products. Reason: increased wartime influx of workers.

Sugar is the basic expansion item, for canners and processors, especially dairy plants, bakeries, and fruit preservers.

For complete list of extra-ration counties, ask for OPA Document No. 8250 (Amendments to Zoning Order, Part 1407.281).

► **EXTREME NATIONALIST IDEAS** in some Latin American countries are giving concern to Washington mentors of Good Neighbor Policy.

Costa Rica has nationalized all internal commerce, effective April 15.

Only citizens of that republic may launch new commercial enterprises; all existing non-citizen business firms must be represented by a citizen resident agent.

Persons not citizens, but residents

of Costa Rica before January 1, 1944, may continue to operate, providing they declare they do not intend to engage in any activities other than commerce. (This latter provision also reaches Axis political agents operating as business men.)

► **GOVERNMENT HAS LAUNCHED** intensive production-cost survey of steel industry, through OPA, aided by General Steel Products Advisory Committee.

Some industry leaders fear purpose of study—which coincides with CIO wage demands before WLB—may be to show that higher wages could be paid without a compensating increase in mill prices.

OPA Chief Bowles has said: "It appears from limited information currently available that the steel industry does not need a general upward price adjustment....But no decision will be made before the studies are completed."

Study to be based on mill cost sheets from 1936 through 1943.

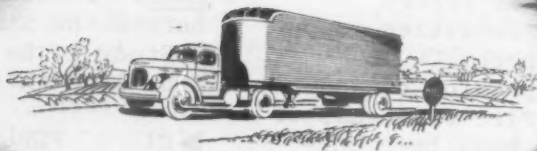
► **CIO IS PUBLISHING** a new monthly newspaper for Army and Navy members—the "Servicemen's Edition" of the CIO News.

Capitol Hill asks how paper was obtained for a new publication at a time when Government Printing Office is warning Senators and Representatives they may not be able to obtain usual allotments of paper and envelopes for mailing campaign reprints from Congressional Record.

CIO Servicemen's Edition aims to keep 1,250,000 members in the armed forces informed touching "news on the labor front."

► **WASHINGTON BUSINESS BRIEFS:** New passenger autos soon will be out of the picture; OPA estimates 50,000 cars still in reserve pool will be gone by July 1....Ickes will close first of 10 Jap-American concentration camps in June; about 18,000 have left these camps for controlled employment; 92,000 will remain in 9 camps....New foreign relief agency, UNRRA, is having difficult time launching program; Congress has not provided funds; wants to know proposed scope of operations, and probable duration....ODT has obtained WPB approval for 18,000 motor truck transmissions, 7,000 rear-axle assemblies, and 138,000 spare engines to keep commercial truck fleets rolling for duration....With increased farm herds and poultry flocks, current supplies of feed grains are 20% below year ago, per head....OPA has revised its ceiling prices on used airplanes more than 6 years old!

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The 1911 Reo "closed express body" model illustrated above was a leader in its day. Through the years Reo pioneered such enduring truck features as electric lights and starter, the dry disc clutch, internal hydraulic brakes, and pneumatic tires which made possible the Reo Speed-wagon and a whole new era of fast and efficient motor truck transportation.

Reo—a name as old as the trucking industry—has been famous since 1904 for delivering the goods of industry. Today powerful fleets of Reos, designed to deliver the goods of war on the toughest possible jobs, are carrying the 40-year heritage of Reo quality to every corner of the earth. War production officials have released a limited quota of medium and heavy-duty Reo trucks for 1944 civilian use. Your nearest Reo dealer can give you complete information.

Buy War Bonds... Reo Motors, Inc., Lansing, Mich.
1904-1944... America's Toughest Truck!



REO

NATION'S BUSINESS for April, 1944

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NATIO

When G. I. Joe Comes Home . . .

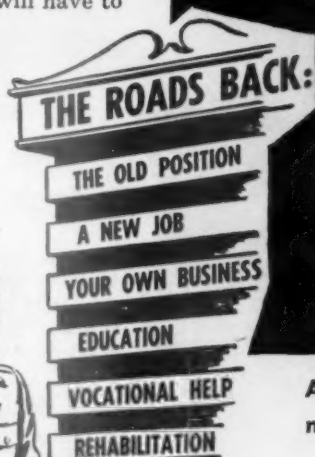
By DONN LAYNE

A GRATEFUL nation is preparing to do better for the veterans of this war than we did for those of World War I

DURING the next five years, our country will be staging the biggest reunion in its history. The bands will play. There will be parades and we'll all cheer for G. I. Joe.

Then will come the long years when we may forget that Joe needs a job, that he is raising a family, that we made ambitious promises when he marched away. Against that forgetfulness, many plans are being made today. More will be made. Some will have to be changed to meet unexpected situations; others may prove unworkable; all will have to be flexible.

Already, some errors have been made, mainly because of the mistaken belief that the problems of demobilization—discharge procedures, reemployment,



KEYSTONE

A warm welcome is not enough. The returning service man must be helped to fit into the life for which he fought

Germany but before the end of the Asiatic conflict—the rate of discharge is expected to reach 250,000 a month—possibly 3,000,000 a year! What plans have been made for the prompt assimilation of these veterans into the civilian life for which they fought?

Because old mustering-out methods were found inadequate, particularly with regard to prompt settlement of disability claims, rehabilitation, hospitalization and other veteran rights, the Army has put a new procedure into effect. The Navy and Marine Corps will adopt similar procedures.

At the time of discharge, the mustering-out agency of the Army prepares a Report of Separation. When the soldier is given his discharge papers and a copy of this report, his service-records are

sent to the Veterans' Administration.

This report advises the soldier to notify his local board immediately that he has been discharged, and to register with the board if he entered the service as a volunteer unregistered under the Selective Training and Service Act.

The soldier with an honorable discharge is told that, if he has served in the active military service on or after Dec. 7, 1941, and before the end of the present war, he is entitled to:

1. Hospitalization and Domiciliary Care.
2. Disability Pension.
3. Vocational Rehabilitation.

He is notified that he is entitled to his former employment under the provision (Continued on page 78)

rehabilitation, etc.—belonged to the field of postwar planning. They do not.

Demobilization is here, now!

Since Pearl Harbor, the Army, Navy, and Marine Corps have discharged more than 1,250,000 men and women, an average of 46,296 a month. At present, the discharges are running from 70,000 to 80,000 a month. At the peak of demobilization—sometime after the defeat of

Fair Taxes Can Aid To



THE PROVERB has it that nothing is certain but death and taxes. So far as the capitalist system is concerned, unhappily, the two certainties have tended to merge. This does not alarm those Americans who consider capitalism an outworn institution to be put out of its misery as quickly as possible. Many of them regard taxation as a convenient method for making an end of our free economy. But for the rest of our nation, taxes that kill business would be extremely alarming if only people understood the process more clearly.

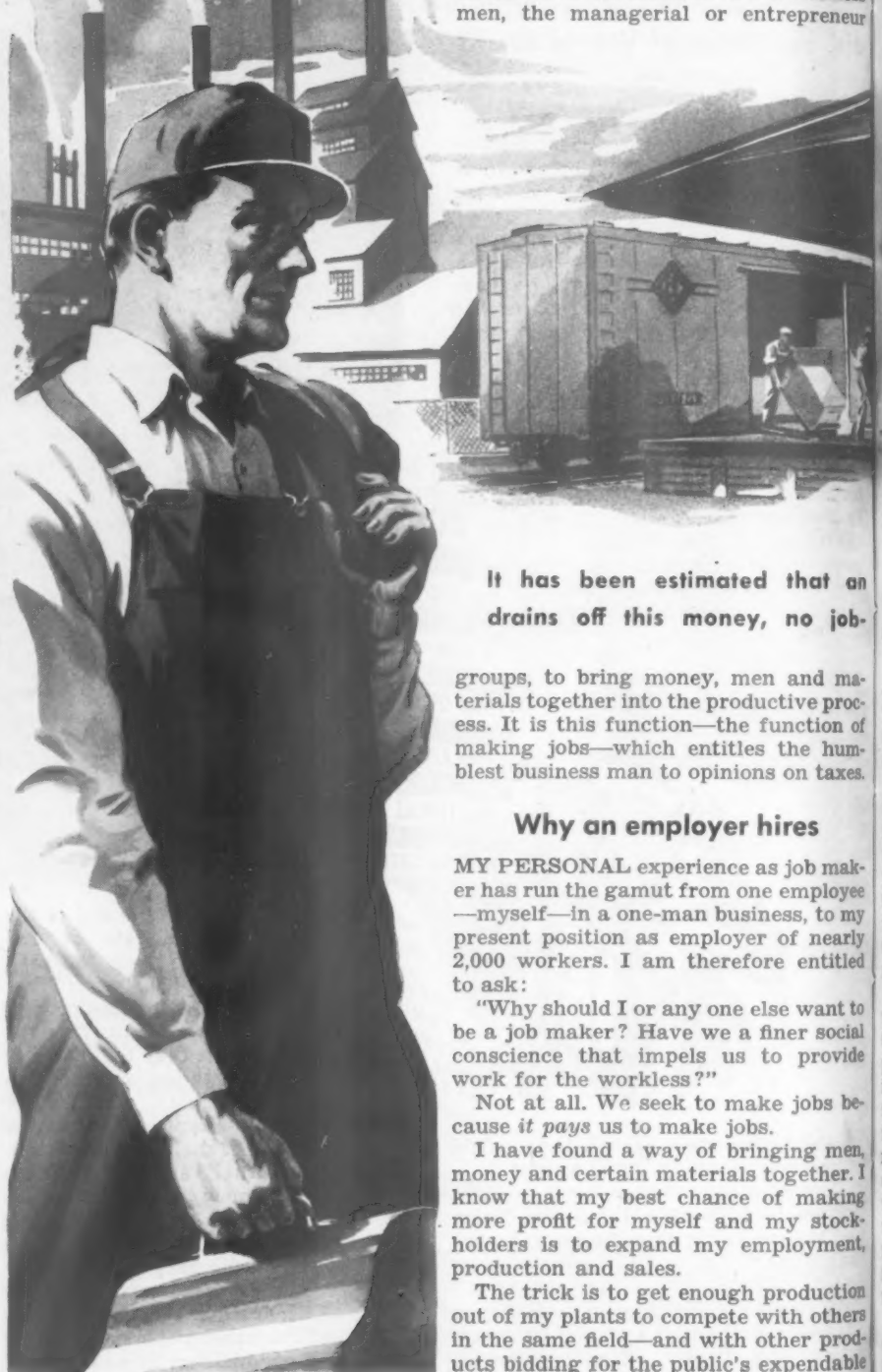
I feel that they should be informed that, if our tax system is allowed to remain at its present and recent confiscatory levels, American economy as we know it is doomed. Many existing enterprises would be slated for extinction and, more important, the birth and growth of new businesses would become more and more difficult.

I am not an expert on taxation. I claim only to be an expert of sorts on *job making* and like every business man, I must constantly wrestle with problems of taxation.

A business man's interest in politics and political parties, indeed, can usually be traced more directly to his concern with taxes than to any other single phase of government. I have sometimes thought that, if all Americans paid *openly* those hundreds of "hidden" taxes—the taxes concealed in the price of goods and services they buy—they might develop a keener interest in government. At least they would be more conscious of the fact that it is their government, paid for by them, and hence subject to their orders.

The business man, it should be more generally recognized, is the real Collector of Internal Revenue. Does he own a filling station? Then he collects the taxes in gas, oil, tires—not only the direct tax inscribed above the pump, but all the hidden taxes which have been carried along from the first step in bringing oil out of the ground or rubber out of the tree. Is the business man a

★ This article is condensed from the chapter, "Taxes and Jobs," in Mr. Johnston's forthcoming book, "America Unlimited," Doubleday, Doran & Co., \$1.00 and \$2.50.



jeweler, grocer, baker, movie theater owner? He, too, is one of the 2,000,000 collectors of internal revenue who siphon out of the national income stream some \$40,000,000,000 for the federal Government and \$10,000,000,000 for the state and local governments.

The so-called classic economists tell us that it is the function of the business men, the managerial or entrepreneur

It has been estimated that an drains off this money, no job-

groups, to bring money, men and materials together into the productive process. It is this function—the function of making jobs—which entitles the humblest business man to opinions on taxes.

Why an employer hires

MY PERSONAL experience as job maker has run the gamut from one employee—myself—in a one-man business, to my present position as employer of nearly 2,000 workers. I am therefore entitled to ask:

"Why should I or any one else want to be a job maker? Have we a finer social conscience that impels us to provide work for the workless?"

Not at all. We seek to make jobs because it *pays* us to make jobs.

I have found a way of bringing men, money and certain materials together. I know that my best chance of making more profit for myself and my stockholders is to expand my employment, production and sales.

The trick is to get enough production out of my plants to compete with others in the same field—and with other products bidding for the public's expendable

Tomorrow's Job Makers

By ERIC A. JOHNSTON

President, the U. S. Chamber of Commerce

IT IS EASY to demonstrate that revenue policies that are designed to "soak the rich," whether or not they accomplish that objective, always result in business death for the little fellow



average of \$5,000 is needed to provide a single job. If government making funds will be available, except in government hands

dollars—on a price and quality basis. The proof that this calls for skill is in the hundreds of failures and bankruptcies in every business area every year.

It is safe to say that no business leadership has ever been truly successful unless it gave its best attention to the primary task of making jobs. To justify itself, management must be on the alert for every influence which prevents the creation of jobs and keen to take advantage of every chance to make more jobs.

As a business man, therefore, my views on taxation are based almost entirely on what a given tax program or policy does to my function of job making. I am not seeking larger opportunities for people to get rich, but larger inducements for men to get ahead by making those improvements, technological changes and marketing advances which provide more work for American workers. I favor a tax program which fortifies our middle class society, with fewer at the extreme top and fewer at the extreme bottom.

The tax expert and the job-making expert agree that enough revenue must be raised to pay for government's neces-

sary activities and to service its debts. To the tax expert the best tax is one which, as the Frenchman said, "gets the most feathers from the goose with the least squawk." To the business man, however, the chief considerations are of a different character.

An archaic tax system

"WHAT kind of tax," he must ask himself, "is best suited to keep fresh capital flowing into business from investors, thus widening the base of our whole economy? What kind of tax interferes least with the consumption of the goods we produce? In short, what tax program will best help me to create new jobs?"

Our revenue system is archaic, haphazard, almost an accidental accumulation of imposts. One tax after another has been added on a piecemeal basis as the government needed new revenues. The process of expanding taxes and making them more sharply progressive has gone on at an ever accelerated tempo. Even before the war the tax rates on individual incomes in the higher brackets were so steep that it really did not make sense for those affected to continue their

trade of job making. With rates as high as 80 per cent, the investor was likely to lose even if he won.

Watching the process, I have been reminded of the prizefighter who was pretty good with his fists but a little weak in the head. Having gotten himself involved with several managers, he ended in court, where it appeared that he had contracted to give away 135 per cent of his earnings. If we continue on the present tax path we may find that it is smarter to leave the prize ring to the managers.

The tax system is to blame that existing businesses are in danger of succumbing to the first spell of bad economic health. Like a person without enough reserve vitality, they simply "can't take it." A year or two of bad luck or bad conditions which they could readily weather with a store of capital vitality to draw upon may kill them off if such reserves have not been built up. That danger can obviously be translated into the language of jobs.

Even more serious is the matter of new jobs. Unless business is permitted to plow back its profits and maintain capital reserves, infant mortality among newly born companies must rise. The only thing that will keep the mortality figure down, in fact, is that so few will get born at all. Our present tax policies are a nearly perfect birth control device in the business domain.

Big firms with established credit, well defined markets and good financial connections can survive unfavorable periods. They can live for a while on

the fat accumulated in the good years. They can meet urgent capital needs through bank and government loans.

But the small business—and in particular the newly established company—has none of these survival advantages. Not even the best planned new undertaking, under the most propitious circumstances, can expect to make a profit immediately. Those who launch them normally count on a few lean years as prelude to the hoped-for fat ones. In the past they could reckon on recouping the initial losses, spreading them over a series of profitable years. Today their profits, if they struggle through to the point of making some, are funneled off into the federal Treasury—not to mention state and local treasuries—and the losses cannot be made up. The most venturesome gambler is stopped short by such odds.

New small businesses rarely have access to adequate commercial loans. Their credit and their business health are unknown quantities. They must rely on venture capital, their own and other people's. They must stake their future on the process of plowing back earnings to fertilize expansion. But risk capital will be slow to venture when progressive surtaxes are at frightening levels and there will be no surpluses to plow back.

Staggeringly high income taxes are usually defended on the ground of "ability to pay." Don't men of wealth have plenty left after taxes to meet their personal needs?

The truth is that small enterprises and relatively poor men wishing to invest in

new enterprises are the main victims. This is the phase of the picture that the American public has not yet grasped. We cannot soak the rich indiscriminately without soaking the whole economic system that makes the accumulation of wealth possible.

Autos would have been choked

LET us assume that the present tax rates had been in effect at the turn of the century when the motor car industry was making its first tentative steps. It was a new industry, still under a cloud of skepticism and even ridicule. Only men of vision, with adventure in their blood and faith in their hearts, entered it. They were mostly little men, financially speaking.

These little men took losses and disappointments year after year. They scraped together capital among their friends. When profits appeared they plowed them back into their business. In time they prospered and America prospered with them. But, had the present tax system been in effect, this adventure could never have gotten under way. There would have been nothing to plow under but withered hopes. The industry might conceivably have been born notwithstanding. But it would have been closed to little men. Only great financial aggregates—or the Government itself—could possibly have made a go of it under such conditions. What makes the industry distinctively American—its intensely competitive character, its mass output for low-price consumers—

would have been virtually impossible.

What is true of automobiles is true of every new industry that came into being after the turn of the century. More to the point, it is true of television, prefabricated housing, mass-produced helicopters and a hundred other potential businesses in the years ahead. Unwise taxation will discourage or prevent risk capital from venturing into new fields or enlarging old ones. The purpose may be to squeeze the last drop of financial blood from the big fellows—the effect is to bar the little fellow altogether or to kill him off should his spirit of adventure be proof against discouragement.

It is easy to demonstrate that Henry Ford could not have started in business in the face of present taxes. But I do not need to go beyond my personal experience for proof.

I went into business with a partner about 20 years ago. We each had \$5,000. We drew modest salaries and, as our business prospered, we plowed back the bulk of our earnings. When my partner retired after five years, we had increased the number of jobs in our business from one to 80, at good wages. Within ten years more, the capital had expanded through the plowing-back process to the point where the business could provide more than 1,000 jobs. We were producing goods but, from the social viewpoint, it is more accurate to say that we were producing remunerative employment for ever more men and women.

Under present tax rates, we could not have financed our growing business from accumulated profits. When we started in business the federal Government took less than 15 cents of every dollar of profit. Today it takes nearly three times as much, not to mention the excess profits tax which runs up to 90 per cent.

On top of that, there are increased state and local taxes to pay. This mounting tax "take" offers little incentive for an investor to become a job maker.

Taxes that help socialism

THE fact is that the smooth working of the private enterprise system calls for a large and ever increasing supply of capital. It has been estimated that an average of \$5,000 is needed to provide a single job. If this capital is not allowed to accumulate, if the Government drains it off, no job-creating funds will be available—except in the Government's hands. Taxes that dry up the sources of savings, that forbid the gathering of capital pools, are, therefore, a more direct assault on free capitalist economy than any socialist or communist propaganda.

So far as the consequences are concerned, it makes little enough difference whether those who wield that power destructively are aware of what they are doing or act from the noblest motives.

It is not pure coincidence that confiscatory taxation has been pushed by the same kind of people who look upon the American system as "mature" and

(Continued on page 46)

Why Eric A. Johnston Believes in Capitalism

AN OLD SPIRITUAL SAYS, "Ever'body talk about hebbin ain't goin' there."

Eric A. Johnston suspects that everyone who talks about capitalism these days is not, for that reason alone, to be considered a capitalist. Some of the newer converts, he believes, may be following the ballot box rather than their real feelings.

Mr. Johnston has always used the direct approach. He has always called himself a capitalist, even when others thought it took courage to do so. He regards capitalism as a challenge to the best of us, not a privilege for a few. To him it is the only system that keeps men free; all others give *ersatz* freedoms.

Mr. Johnston knows why he is a capitalist and he has put it in print in his new book, "America Unlimited." This book is recommended reading for those of us who can "hum the tune," but don't remember the words.

Road Map for Reconversion

By LAWRENCE SULLIVAN

THE BARUCH-HANCOCK Report has set up the traffic makers on the route to avoid depression.

Business, labor and Congress must build the road

DESPITE debate over some details of application and administration, the Baruch-Hancock Report on reconversion of industry is accepted generally as the master chart of our U. S. postwar economic adjustment.

This report already has become the focal point of business planning. The management executive and trade association officer will find himself referring to it again and again as the war production job nears completion in his own field.

Two facts of profound historical significance characterize the report:

First, it is the work of practical men who are familiar with, and believe in, our enterprise system—and who want to see "the traditional American spirit" restored and released for the immense labors of postwar reconstruction and stability.

Second, it does not call on government to "guarantee" prosperity with new spending programs, but merely to "create the atmosphere" of prosperity by sound national policies on money, taxation, employment, investment, foreign trade. It leaves to business the practical details of production, marketing and finance.

In the first phase of the transition period—the liquidation of war contracts—federal policy should be "to close the books on the war as quickly as possible."

"Our country's position today," says the report, "is such that, if the war terminated suddenly, most of the factories in this country would be shut and there would be unemployment of the worst kind."

To avert such a calamity, the Government must be prepared to make "quick, fair, and final settlement of terminated war contracts. . . Any other course, such as that proposed recently by the Comptroller General, would quibble the nation into a panic. . . Delays in settlement could force many concerns into bankruptcy. It would mean unemployment by audit."

Under the program recommended, large settlements would be made, not by one man, but by a government team assigned by the Joint Contract Termination Board, already established in the Office of War Mobilization. In addition to the federal procurement agencies,



The shadow of government action lies across every plan which management or the worker may develop for postwar prosperity

this Board would include a representative of the Comptroller General, Attorney General, and WPB.

The government teams would conduct the whole range of termination negotiations, applying promptly in each instance the several tools in the Baruch-Hancock "financial kit."

John M. Hancock, co-author of the report, is chairman of the Joint Contract Termination Board.

"These teams, in general, will include a legal officer, a termination officer, an accounting or auditing officer, a technical officer, and a property disposal offi-

cer, each with his own experts, the whole team working under the direction of the contracting officer, who finally makes the settlement. The team idea has been developed to prevent public collusion in these settlements, and to encourage the individual team members to exercise their independent courage and judgment. . . The men who made the contracts, or who have administered them, are the best persons to ~~un~~make them."

Settlements cannot be accomplished through some "magic formula" which would apply to every case. "Values must be determined by negotiation in a spirit

of mutual trust, respect and good will."

With prompt financial settlements on contract terminations, management will be free to proceed with the work of plant reconversion. Meanwhile, government may concentrate on the two remaining major problems of war liquidation:

1. Control of surplus plant and stocks.
2. The human problems of demobilization.

Both of these problems already have been assigned to experienced administrators within the Office of War Mobilization—surplus property to William L. Clayton, a veteran of the War Industries Board in World War I; and job placement to Veterans Administrator Frank T. Hines. The War Manpower Commission, always more or less a fifth wheel, is to be liquidated.

A glance at the Federal Reserve Index of industrial production affords a broad picture of the business developments which government staff experts in postwar planning anticipate.

The production index, based on 100 for the years 1935-39, moved up to 247 for February, 1944, an increase of about 150 per cent in four years. The consensus of current studies is that, during the 12 months after hostilities in Europe cease, this index will drop back rather abruptly to about 135, the anticipated reconversion low; and then pick up to a postwar stabilization level at about 160.

That level of business activity then would need to be maintained for three or four years, to meet the basic civilian needs created during the war years, as adjusted for our net population increase of approximately 1,000,000 a year.

This whole calculation assumes that the United States will resume the general standard of living which prevailed as our long-term, pre-depression normal. This also is one of the basic assumptions of the Baruch-Hancock report: "Winston Churchill has said he did not accept his portfolio in order to liquidate His Majesty's empire. No American should accept a portfolio to liquidate American living standards."

If these forecasts are realized in the two years after the war in Europe ends, the overall U. S. picture will not be too difficult. A stabilized production level of 160 on the Federal Reserve Index would represent a condition approaching full normal employment. That was about the level at which we were operating late in 1941, when manpower began to be a critical problem. Such a level of indus-

trial production would be almost half again above our pre-depression annual peak of 1929!

Eliminating from current war production those items which also are peacetime items for civilians, our basic military production now represents approximately \$50,000,000,000 a year. But we do not need to replace this full rate of war production in the postwar period to maintain relatively full employment. Our present stupendous production has been possible only because we have recruited in industry 6,000,000 to 7,000,000 persons not normally in our labor force.

The Baruch Report points out that the net increase in U. S. industrial employment from 1937 to 1944 "is estimated at 7,600,000 persons." In the same period, we have mobilized roughly 10,000,000 in the military services. However, this does not mean the ultimate absorption of 17,600,000 people in postwar employment before we may attain a wholesome level of prosperity and stability.

The offsetting factors—the elements of self-adjustment—are catalogued in the Baruch Report:

"The demobilization of the armed

vices or in war industries will resume college and professional training; many professional and service enterprises suspended by wartime manpower demands will be resumed; "the normal child-labor laws will be enforced;" new enterprises will start. Finally, abnormal export business may be anticipated in connection with world-wide relief, reconstruction and rehabilitation.

"Considering these factors, the problem of demobilization, though difficult, is soluble—if we create the atmosphere in which private initiative and resourcefulness—the traditional American spirit—can again take hold."

What are the elements which make up this atmosphere?

First, coordination of many postwar planning projects now scattered throughout the executive agencies and several committees of Congress, to lessen public confusion.

"Everything being done by the Executive Branch should be brought together under a single, unforgetful mind; the Congress to merge the activities of its many committees into a single committee in the Senate and in the House, or, if it can be effected, into a joint committee of both Houses.

"The unified Executive and congressional groups then should work together on a combined program of legislation and operations that will carry out the objectives all of us share."

End the emergency

SECOND, the war agencies must be promptly liquidated when their work is done.

The tendency is for a government agency, once set up, to hang on and keep going long after the specific job, for which it was intended, has been completed. The agency figures out new tasks for itself and then uses its organization to convince Congress and others that those new tasks are vitally essential.

Washington already sees evidences that the emergency agencies are planning to continue their controls, in one form or another, for several years after the armistice. Particularly OPA, WPB, WFA and WLB.

For instance, one proposal is that, when peace comes, the agencies which now control salaries will have to shift from salary ceilings to salary floors to help maintain prosperity. Another proposal—from an OPA official—suggests a drive to keep price control for an indefinite period after the war, warning that: "Fully 40 per cent of the total inflation of the First World War came after the cessation of hostilities."

An intent to keep WPB alive, for a

(Continued on page 50)



ROBERTS

We're fighting this war to give our youngsters the right to express our traditional freedoms

forces will come gradually;" many women will give up wartime employment taken only under the incentives of patriotism; older workers will retire; many younger workers will return to school; many now in the military ser-

Don't Let War Plants Scare You

By LOUIS KAHN¹

A MAN who designed many of them tells why arms factories will play but little part in postwar civilian industry

WHEN peace comes and America's war factories become available for turning out civilian goods, will we not have a tremendous excess of industrial plants?

The answer, though many-sided, is emphatically *no*.

America, as a matter of fact, faces an immediate postwar shortage, rather than a saturation, of production facilities.

This does not mean that our war plants are inefficient. They are entirely adequate for the war jobs for which they were designed.

But many are simply not convertible—except at excessive cost—to civilian production. These were built for a specific type of product, and when they have served their purpose, they are through. This is particularly true of many plants built since the spring of 1942.

An acutely critical situation in structural steel, copper for fittings, and other vital war materials radically changed the basic plan of many war plants. Alternate materials were used wherever possible, and new architectural design and structural methods had to be invented to circumvent the material prohibitions.

Far-sighted officials in the armed forces and government agencies, recog-

¹President, Albert Kahn Associated Architects & Engineers, Inc. This firm designed and supervised the construction of Ford Willow Run, Chrysler Tank Arsenal, Hudson Naval Ordnance Plant, Higgins-New Orleans, Dodge-Chicago (largest industrial layout in the world), numerous Curtis-Wright plants and many other important projects.



RALPH PATTERSON

Knowing that many facilities now being used will be obsolete in five years, wise companies are already drawing building plans

nizing the doubtful postwar value of plants built for heavy war material, determined on semipermanent structures. "Five-year plants," we called them, because, at the time they were built, five years was the maximum productive life expected of them.

Too costly for part time

IN designing these plants, every possible short cut was taken to save time, costs and materials and still have plants entirely adequate for their intended job. They were "streamlined" to the ultimate degree. An example is lighting. We knew that the plant would operate around the clock, on an all-out basis, so there was no need to take the time and materials to wire each individual bay for lighting. Whole departments were hooked up to one master switch.

The effect is the same as though, coming home at night, you pressed the switch inside the front door and lighted

your entire house. This method saved installation time and materials. It saved the time of operators, who could light the plant by pulling several master switches instead of many hundreds.

Yet, if such a plant were to be operated on a reduced production schedule, under private ownership, it would have to be completely rewired. Otherwise the power wastage would be a forbidding cost item.

As with lighting, so alterations would have to be made with materials-handling devices, heating, ventilation, layout and many other factors entering into the cost of civilian production.

What utility some of these "five-year plants" will have after the war is problematical. Some probably will be razed. This may sound like waste. But all war is waste. Those who were privileged to work with government officials are convinced that the undramatic story of vision and good sense in building for

(Continued on page 70)

GERMANY Can Be Made to H

By JUNIUS B. WOOD

WARS END abruptly but returning to the habits of peace is a long hard pull. Military rule, reprisals and rehabilitation in Germany will be only a start toward changing production and people from war to peace. The military, supported by American industry, will win the war.

Industry must fight on from there to win the peace.

The task will tax the strength of America but this country will have the incentive to continue the fight, both for itself and for the salvation of Europe. And unless industry wins this fight, death will return again to haunt the world after this deadliest and most destructive of all wars.

Proposed solutions of the so-called problem of Germany, of a future Europe and the world in general are varied and argumentative. As in the past, each one visions a happy and peaceful new world but, like a radio commercial which extols the one thing needed to make all

mankind healthy, wealthy and happy, too many emphasize only separate phases of a big problem.

Some enthusiasts would sterilize all Germans who have not reached the age of senility, out-Nazi-ing the Nazis. Others, less sadistic, would destroy all industry or access to raw materials, including paved roads, automobiles and railroads, tying the people close to home and limiting them to agriculture, embroidery, wood carving, modeling clay steins and other handiwork, with education and science on that level.

Ethnographic planners and advocates of a European federation of small states would return the country to its 20 or 30 separate kingdoms of a past century, ignoring modern communications and an age of large national entities. Others would partition Germany between Great Britain and the Soviet Union, blandly brushing aside the interests of other continents and nations, including the United States. A modification, remind-

ful of Caesar, is to divide it into three parts and give one to the United States.

The plans are novel and there are others which deserve passing consideration but one basic reality is inescapable:

Regardless of what Axis nations may deserve on their past record, the world and much less the neighboring countries cannot live with vast slum areas or unproductive deserts in the center of Europe. The terms of peace will be hard and must be accepted but those who make the terms must continue to live on this earth with the vanquished. A city's or a nation's standard of living no longer concerns only what is within its own boundaries. It spreads far outside.

Those who sit in the peace conferences must remember these facts if they hope to be more successful than in the past in drafting treaties which will prevent war and preserve peace.

The aims sound synonymous but their approach to peace is from opposite directions—one, preventive from the view-



Military defeat will not destroy the faith of a Nazi-educated generation in the fetishes of race superiority and blind obedience. Disarming the minds of the people will be a hard job

AUTHENTICATED NEWS

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WHEN defeated, Germany must take her medicine but the peace terms will have to be practical, else the rest of the world will suffer

point of war; the other creative, from the viewpoint of peace. Treaties in conventional terms emphasize always the first. The losers disarmed, new lines on maps, the defeated losing territory and the victors acquiring indigestible minorities; war debts written in nine ciphers which in a few years are only a cipher.

The other approach, still untried, is to provide the essentials of peace—industry and employment. Before considering the possibilities of that approach in planning our treatment of Germany in the future Europe, the bitter fruits which are an inevitable harvest of defeat, must be disposed of. They are:

1. Punishment of the guilty.
2. Reparations or restitution for destruction.
3. Disarmament.

To these can be added a modern aftermath of wars; generous America's role in world affairs, feeding and clothing the hungry and shabby of both victors and vanquished. We can call that reconstruction.

During the fighting, punishment of the guilty is widely discussed but later reparations become far more important. Their full extent cannot be decided until hostilities cease.

War prisoners already are working, many in Russia may never return, but many countries may be glad to get rid of the prisoners to give work to their own unemployed. Forced labor is insignificant compared to the reconstruction of factories and machinery. They have



BLACK STAR

Ways must be found to use Germany's technical skill after the war. It probably will be her greatest asset in Europe's rehabilitation

been destroyed outright, moved to suit war necessities and Nazi-planned economy. A few, with a pretense of legality, were bought with wartime paper which passed for money.

German factories, mining installations and other equipment can be moved to replace what has been destroyed or taken by the invaders in the Soviet Union, France, Belgium and other countries. Instead of such machinery, rolling stock and other equipment—worn by five years of war pressure—these countries may prefer that German industry supply new machinery. Also, returning a factory which has been moved from France, for instance—because of air raids, allied advances or economic advantages—is comparatively simple but, in an overall economy for Europe, even though it bears a Nazi label, that factory may have outlived its usefulness in its old location.

Cash reparations sound impressive and tickle those at the peace table but, in practice, the party in power fattens on what is received and before long the debtor begs off from further installments. Destruction and loans can be reckoned in dollars but few expect any

considerable amount of cash to change hands between nations after this war.

Disarmament is at once the simplest and the most complicated of postwar problems. On it the future peace of the world will hang.

Physically disarming Germany and its allies is a routine job. The army will surrender its weapons and, at least for the time being, will be glad to get rid of them. A few soldiers will slip away to continue taking potshots but corralling them will be a police job and soon not even a popgun will be handy to scare rabbits out of a lettuce bed.

Destroying or requisitioning arms factories and machinery is equally simple. That was done after the previous war and, in less than 20 years, German factories produced enough weapons to fight a greater war. Any observant visitor in the past ten years knew Germany was rearming but other countries were complacent or overconfident. In addition to an allied control commission to inspect factories, a better method for control of industry must be adopted in the next peace.

Disarming the minds of the people is a longer and more difficult task. Through

a generation, Hitler intensified a line of reasoning to which Germany already was inclined: that force is the first essential of national policy.

Employment, comfort and social opportunities all were pictured as dependent on that creed. For even more years, our trend of thought was to the other extreme—if a policy is right, war never will be necessary to induce another nation to accept it.

New education is needed

MILITARY defeat will not destroy the faith of a Nazi-educated generation in the fetishes of race superiority, totalitarian government and blind obedience to officials. During the years I lived in Germany, I read and heard unending articles and orations by pedants and spellbinders on war guilty, international bankers, sabotage on the home front, the bankruptcy of democracy, inequities of Versailles and other explanations as to why Germany lost a war. They were drilled into the school children and Nazi plug-uglies but the ordinary citizen stuck to a simpler explanation:

"The Kaiser's armies lost because the other side had more soldiers and more supplies."

Defeat alone will not convince the Germans that Nazi doctrines were wrong. If only defeat were necessary to

change a nation's thought, the Germans considering the success of the Red Army, might be expected to adopt Communism rather than Democracy.

Nazism, Fascism, emperor worship and other doctrines of force are a state of mind as well as a form of government. The Germans must be taught democracy which is an insurance against precipitate and unjust wars.

Destroying the school books with their poisonous Nazi doctrines is not enough because a generation still is mentally armed. Inducing the millions to disarm mentally will be a long task which cannot be accomplished by forcing new textbooks into their hands or by sending them foreign teachers. The Nazis, even on a war basis, did not succeed in Norway nor in any other country by such methods.

The conversion must, and can, come from within. Germany has been in a state of civil war for 25 years but concentration camps have held only the most outspoken opponents of Nazism. Peace will not end the civil war but the power will be with these opponents and with more thousands who kept silent.

Once Nazi power is broken and speech is free, leaders and teachers will not be lacking. The road by which they must lead the people away from a philosophy of hatred, hardship and turmoil toward an enduring peace is long and, unless

those who try to lead the way have a practical and intelligent plan, they will fail.

In any such plan, industry is the keynote, both to protect the interests of the United States and for the broader world peace. For the moment, speculation whether Europe will be dominated by Bolshevik, British or another political order is alluring but—whether ruled by proletariat, president or potentate—a nation's destiny is determined by its industry.

Any who were in Germany in 1938 on the day of Herr Goebbels' greatest pogrom have little sympathy for a country which so insanely smashes its own property. However, the fact remains that German industry must be restored and restored quickly before confusion and discouragement provide fertile ground for new vagaries and adventures which will require drastic cures. That does not apply to Germany alone.

That restoration, not only in Germany but in other countries, will depend on the part American industry takes in world reconstruction. Though that reconstruction is a staggering task, it is a necessary preliminary because any long-term peace must depend on what Europe can produce and consume.

In normal times, Europe took between 40 and 50 per cent of all American exports and supplied about 30 per cent of our imports. In both classifications Germany was second in Europe only to the United Kingdom. Germany's future will not be determined on a basis of trade balances but they will be substantial factors and any solution of Germany's problem will chart a course for complex Europe.

Idle hands led to Nazism

WORK is the antidote for unrest and the strongest support of a peaceful government. When Hitler's chauvinistic sophistries and false promises reached action in the beer hall putsch in Munich in 1923, a few of his followers were shot and he was tossed into prison.

In the depression years of 1929 and 1930, with increasing unemployment, the same empty promises brought followers and Nazism could not be stopped. Superficial opinion is that most of the population was fooled by the oratory and that those who were not fooled were intimidated, locked up or executed. The real reason for the acceptance of the regime was that it provided work for everybody.

That work was preparing for war but Germany's metal factories can also produce sewing machines and plows while her chemical plants can produce hydrogen for synthetic gasoline for tractors as well as for bombers and nitrogen for farm fertilizers as well as for explosives. Production must be supervised, not destroyed. With satisfactory control, war preparation can never start.

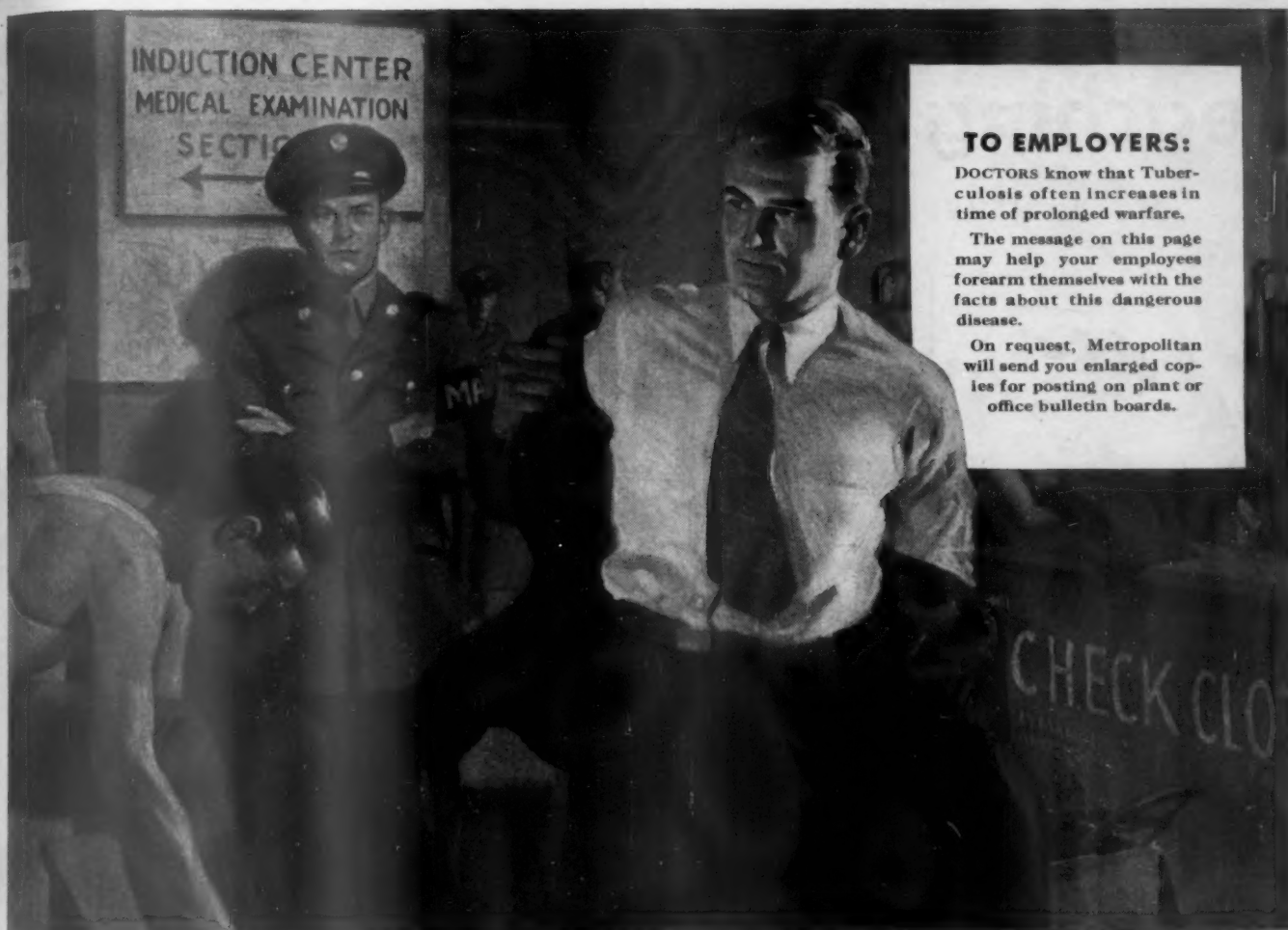
A junkers military staff which never changes and the Krupps, Thyssens, Stinnes and Rhineland industrialists, beguiled by Hitler, were the leaven which prepared Germany for the present war.

(Continued on page 74)



BLACK STAR

A contented people, free to express themselves and able to earn a living through industry, won't go to war for the glory of a fuehrer



TO EMPLOYERS:

DOCTORS know that Tuberculosis often increases in time of prolonged warfare.

The message on this page may help your employees forearm themselves with the facts about this dangerous disease.

On request, Metropolitan will send you enlarged copies for posting on plant or office bulletin boards.

Who'd guess he'd be fighting Tuberculosis—instead of Japs?

NOBODY guessed Bob would be turned down. A strong, healthy boy like that!

But the eye of the X-ray saw what human eyes could not see—that Bob had early tuberculosis. Luckily, with the help of a sanatorium he will almost certainly be cured.

What is true of Bob is true of thousands who have tuberculosis—*many don't even suspect it*. Yet every tuberculous person may be a danger to his family, his associates, himself.



Tuberculosis is contagious. The crowded living and working conditions of wartime are particularly favorable for spreading the germs. Tuberculosis germs find easier victims when general health is low because of overwork, improper sleeping and eating habits, or the strain of war. The best precaution is *keeping fit, plus regular physical examinations including chest X-rays.*

An X-ray of your chest can detect tuberculosis before other symptoms become apparent—often before it becomes contagious.

The usual symptoms—a persistent cough, chest pains, blood-streaked sputum—may come very late. Then cure is slow and difficult. Loss of weight, touches of indigestion, a constant tired feeling may mean tuberculosis.



Unfortunately, State health departments and tuberculosis sanatoriums report that some patients are forsaking health institutions for jobs in wartime industry—thus gambling away their chances of recovery, and exposing others to infection.

Tuberculosis is dangerous to all ages, but particularly to young adults. Girls in their teens or early twenties

should be especially alert to the danger, doubly so if working long hours. Elderly people with coughs, "bronchitis," or "asthma" may have the disease. If you or members of your family have been in contact with a tuberculous person, see your doctor.

Remember that tuberculosis can usually be cured—if discovered early. Tremendous progress has been made. Thirty years ago the death rate among wage-earning families was 220 per hundred thousand people. Today it is about 40—less than one fifth as much.

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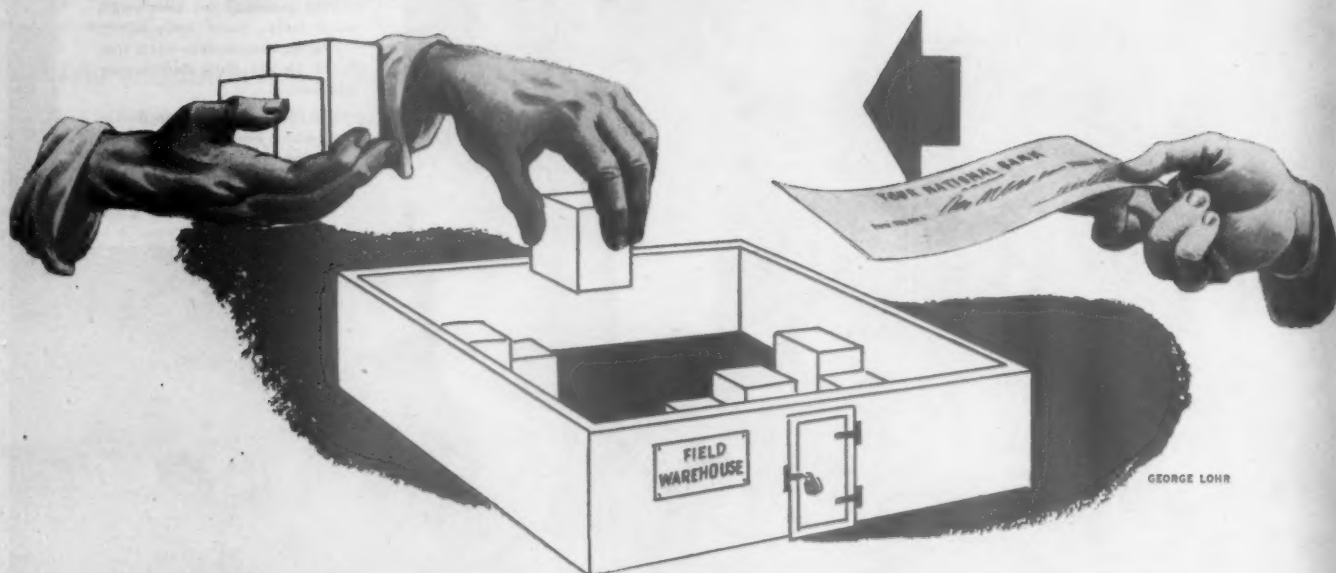
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Teaching Credit New Tricks

By HERBERT BRATTER



To get needed working capital, the business man can give a warehouseman custody of goods stored on his own premises and then use the warehouse receipts as collateral for a loan

MANY business men could supplement their limited working capital and thereby increase their profits by employing a relatively little known financial device called the "field warehouse receipt."

This device for raising money on inventory is not new. In fact, it has been used for half a century. Its use, however, has not been nation-wide, but rather regionalized, and the field for its development after the war appears to be wide.

With high business taxes, pay roll and other costs, the business man will be looking for ways to reduce expenses and sustain earnings. Field warehousing can help.

A good description of field warehouse financing is presented by the National Bureau of Economic Research in Jacoby and Saulnier's recent book on the subject.¹

"A field warehouse," the book states, "is simply a special warehouse leased from, and established on the premises of, the borrowing concern. The warehouseman takes custody of the raw materials, semifinished or finished goods of that concern and issues warehouse receipts that are then pledged as collateral security for a loan. . . . By making the inventories of a business 'bankable,' field warehousing operates as a credit-facilitating device."

Among the causes stimulating resort to field warehousing since the turn of the century have been the effect of high-

er taxes on working capital, difficulties in selling securities to the public, efforts to stabilize production rates throughout the year, growing importance of cash discounts, the need to hold larger inventories under defense conditions and higher credit standards set by banks.

Field warehousing may be the least costly method by which a business can obtain credit and carry on operations. It may make possible the savings that go with large-scale purchases. It would appear to have distinct possibilities in connection with the disposal of surplus government goods. Among those whom field warehousing can help are manufacturers, processors, merchants, banks and other money lenders, and, of course, warehousemen. Here are some examples of how this type of financing operates:

Retailer



other staple articles. Mr. Smith sees an opportunity to lay in, at exceptionally low prices, stocks of all these things, provided he can take the goods in quantity.

Uncle Sam wants to get rid of the merchandise quickly. Mr. Smith can sell

"MR. SMITH" owns a department store in an industrial community. He finds the Government is selling surplus stocks of cutlery, radios, razors, apparel and many

moderate amounts of such goods right now, and profitably. But he could sell much more in the long run, and at a greater profit, if he could find a way to store this staple merchandise while he gradually worked it off over two or three years, along with his regular lines of new merchandise.

Mr. Smith mentions the matter to his banker, to whom he is already in debt. The banker is eager to help. He tells Smith about field warehousing. This financial device will enable him to borrow additional money from the bank against security of government surplus goods to be stored in his own warehouse in the custody of a public warehouseman.

Thereby, as opportunity presents, Mr. Smith will be able to handle sizable quantities of surplus government merchandise without turning his establishment into a giant bargain basement. Instead, notwithstanding limitations of his own working capital, he is able to combine the economies of large-scale buying and leisurely and profitable selling.

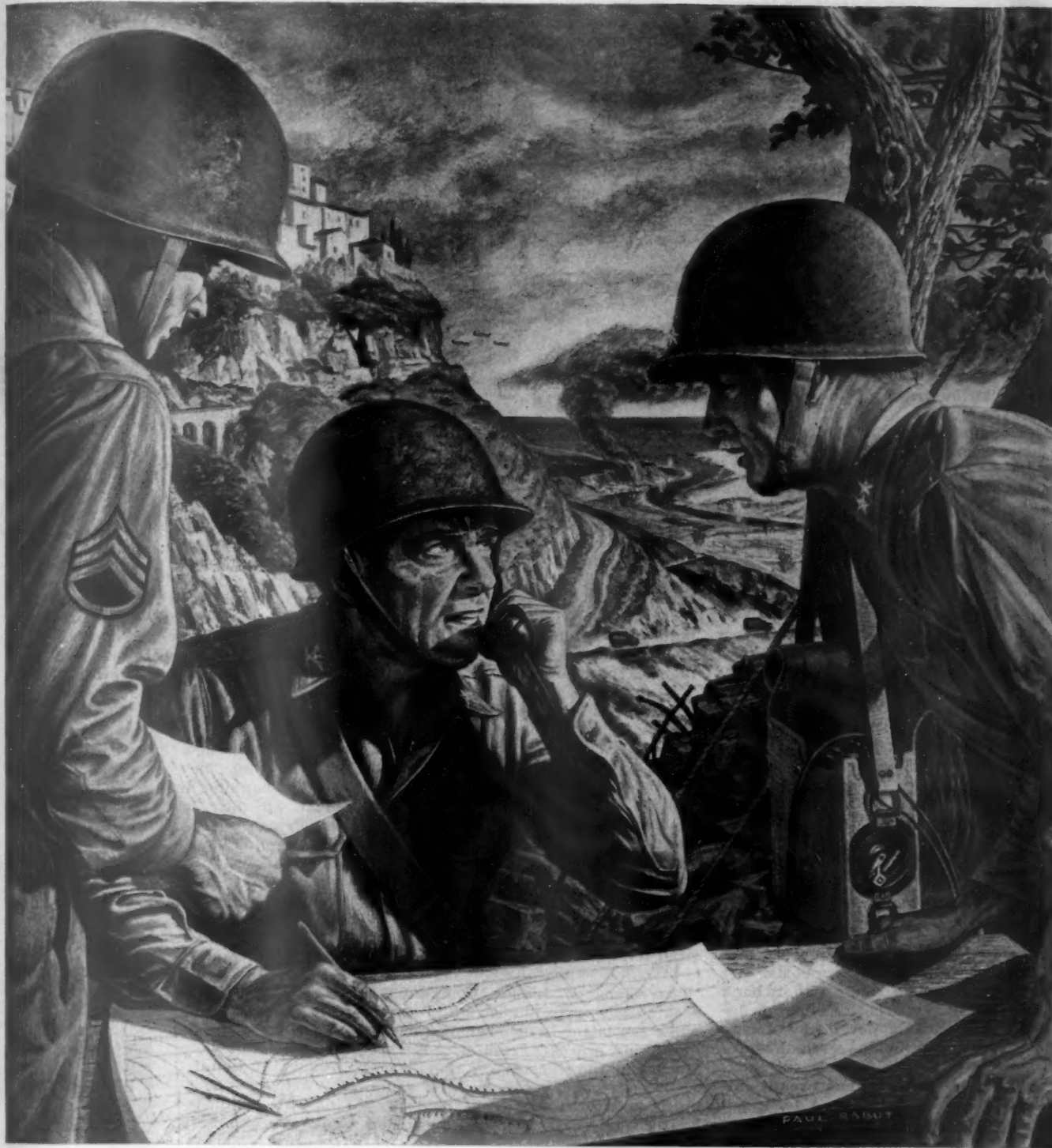
Wholesaler

"FUEL DISTRIBUTORS, INC." is a wholesaler of coal, coke, and fuel oil in a large New England city. Their business is largely seasonal. The company cannot wait until autumn to lay in its winter stock of fuel but must pile up its inventory in the summer, thus tying up considerable working capital.

The company's coal supply is stored on its premises, in the open yard. No

¹Financing Inventory on Field Warehousing Receipts

Every branch of the Armed Services uses the telephone. No. 10 of a series, General Staff.



At Field Headquarters sits a staff officer—telephoning. In his hands, this familiar instrument, now a weapon of war, controls the striking power of our forces in the whole area of combat. Over it flow the orders that will drive back the enemy till the final order—"Cease Firing"—is flashed to every front.



Won't YOU help them lead our men to Victory?



75th ANNIVERSARY

Western Electric

IN PEACE...SOURCE OF SUPPLY FOR THE BELL SYSTEM.
IN WAR...ARSENAL OF COMMUNICATIONS EQUIPMENT.



The ablest officers and the bravest men can win this war only with *your* full support. They must have weapons, food, supplies—more and *more* and *MORE* of them. Make sure they get them. Buy War Bonds, *more* War Bonds and *STILL MORE!*



warehouse is used. However, the company learns, a "field warehouse" can be established with the cooperation of its bank and a certain warehouse company specializing

in this type of business.

An arrangement is made under which the field warehousing company hires Jim Kelly, one of Fuel Distributors, Inc.'s, former employees, to serve the field warehousing company as one of its custodians in this case. Kelly, of course, is fully bonded. The coal is brought in during the off season, piled in its normal location and a "field warehouse" is established around it.

By pledging the coal as collateral, Fuel Distributors, Inc. is able to borrow more money from its bank than it otherwise could, and to do so more cheaply than on an unsecured loan. This makes it possible for the company to have adequate supplies of fuel when winter sets in. The bank is protected, because the coal is under its control so long as it is in the field warehouse.

Packer



"THE Northwest Plum Company" has a problem. Its product is a once-a-year crop, whereas its customers space their orders fairly evenly throughout the year. Expenses

have been going up. If Northwest had all the capital it needed, it would be able to take maximum advantage of this season's bumper yield of fruit, can twice as many plums as last year, and hold them until sold.

Northwest has the canning facilities. It has the storage space. But it does not have enough working capital, what with higher taxes, labor and other costs.

Northwest could arrange with its bank to borrow against trust receipts, pledging its product as collateral by storing the goods in a public terminal warehouse. But this would mean extra expense—since Northwest has already ample storage space of its own. Also, it may mean trucking to the public warehouse, and then back again to put somebody's special label on the cans.

Therefore, after discussing the crop and market outlook with its bank and obtaining a commitment from the latter, the canning company arranges with a nearby warehouseman to install a field warehouse for the company's canned fruit right on Northwest's own premises. A separate building is leased to the warehouseman, who changes the locks and perhaps builds a fence to separate this building from others owned by Northwest.

As the fruit pack starts to come in and is canned, the canned goods are put in the Northwest Plum Company's field warehouse in care of the warehouseman's agent.

On the receipts issued by the latter as the goods are deposited, Northwest Plum Company obtains advances from the local bank, thus enabling the company to buy and can more plums while the season is on.

Gradually, as orders for canned plums come in, the Northwest Plum Company pays off its bank loan, thereby releasing corresponding amounts of its goods from the field warehouse. Before the next crop year, the entire loan will be liquidated.

Manufacturer



"THE Ajax Paper Company" manufactures disposable tissues from Canadian bleached sulphite pulp, which it has customarily imported by rail as

needed during the year. Study of relative transportation costs reveals that a considerable saving can be effected by water shipment, which, however, is practical only in summer before the Great Lakes freeze over.

To take advantage of the transportation saving it is necessary for the manufacturer to build up large inventories of pulp each summer. By establishing a field warehouse at its plant, Ajax is able to make this change.

A GOOD-SIZED manufacturer of greeting cards and paper Christmas specialties experiences great fluctuation in his business in the course of the year. By spreading the work more evenly over the 12 months he could reduce his personnel problems and extract more value from his overhead outlays. But this would entail tying up money in inventory during the duller months. His capital is not adequate to do this. By establishing a field warehouse on his premises, this manufacturer is able to make the desired improvements.

"THE Sunshine Liquor Company" is seeking a way to finance its inventory while the latter is undergoing the normal aging process. From a local warehouseman, Sunshine learns that "goods in process" like wines, pickles, sauerkraut and tobacco may be field-warehoused while undergoing aging or curing.

Sunshine talks the idea over with its bank. In some cases, Sunshine learns, where goods in process must be physically handled, arrangements even can be made with the bank for their temporary removal from the warehouse and subsequent return in finished or semi-finished condition. With the aid of the bank, an arrangement is worked out to set up a field warehouse in Sunshine's own plant.

Banker

"BANKER JONES" has been looking over his balance sheet. Deposits have increased year after year. Total assets

have expanded; so has the proportion invested in "safe" low-yield government securities. Commercial loans, which used to be the most profitable part of the business, have declined.

Yet now more than ever the bank ought to be increasing its earnings, because the cost of operation has been increasing. For one thing, several skilled employees have gone into the Army and their places have been taken by less skilled girls. Not only this, but the bank has taken on new and non-profitable functions, such as handling war savings bond sales and redemptions, ration banking business, keeping the regular customers informed on changing tax laws, and like activities. The bank's own taxes have gone up, too, while, under Federal Reserve Board Regulation Q, its income from "exchange" has been cut.

So Banker Jones looks over his list of customers. The new milk-powder business is expanding and needs more working capital. The distributor of coal and coke has large seasonal fluctuations in sales and consequent seasonal stringencies in working capital. The manufacturer of cans can spread his operations more evenly over the year by depositing cans at plants of food-canning companies before the canning season; but to do this he needs more working capital.

These and other customers can be interested in new loans through field warehousing. They can all meet that desirable banking test of being able to clean up their loans periodically. By supplying collateral, they can arrange with Banker Jones a line of credit exactly tailored to their needs and—what is important—at an interest rate lower than would be required for an unsecured loan. Yet, to Mr. Jones, here is a perfectly safe way of earning more than the yield of government bonds.

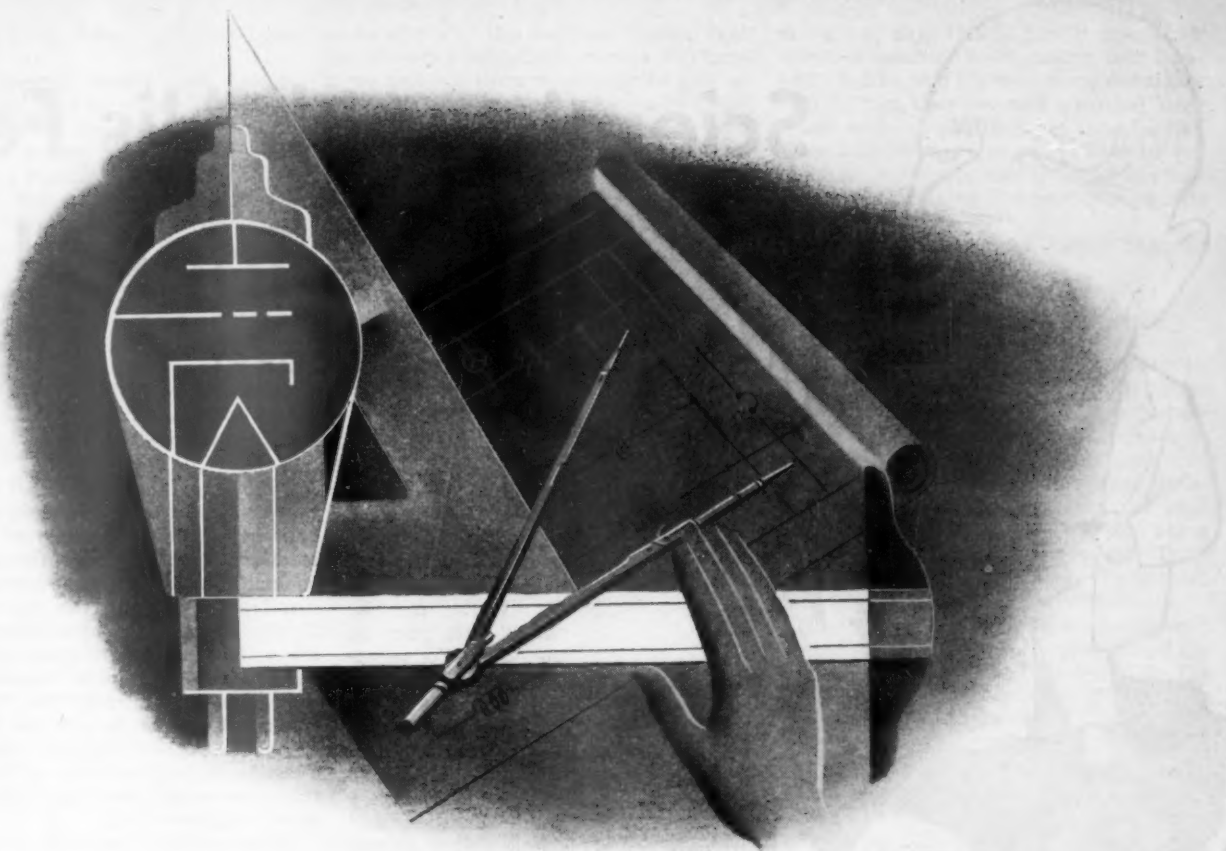
Warehouseman

TWO KINDS of warehousemen benefit by field warehousing: the small, local warehousing concerns which engage in the business only as a sideline to the terminal warehousing business, and independent concerns specializing in field warehousing.

To the former, field warehousing offers a source of income over and above what can be obtained from the concern's normal operations. Field warehousing activity offers the operator of a public terminal warehouse an opportunity to expand his activities without regard to the physical limitations of his own building and to get customers who otherwise would not store their goods in care of a warehouseman.

(Continued on page 60)





CAN YOU USE AN ENGINEER with an A. E. Degree?

Electronics is a relatively new science. Yet it is already one of the most vital subjects concerning industry today.

How can already-proved electronic applications help you speed war production? How can adaptations of them improve or expand your postwar products, creating new jobs? What are the practical possibilities for your industry in electronic high-frequency heating, power conversion, resistance welding, process control—and a dozen more?

The answers are not easy. They require a broad background in the principles of Electronics and their application to industry.

That is why Westinghouse has set up a staff of engineers specially trained in *Applied Electronics*. These men were carefully chosen

from our field engineering organization, and given a comprehensive training course. They are practical electrical engineers, with years of experience in solving tough problems for all types of industries.

Now these men offer you this broad engineering background *plus* a thorough knowledge of electronic devices and their applications.

Can you use one of these men on today's problems—or tomorrow's plans? He's as near as your local Westinghouse office.

Put this specialized Engineering Service to work for you today. It's a new phase of a service that's won a nationwide reputation for finding ways to do old jobs better, for engineering new ideas down to earth. Westinghouse Electric & Mfg. Co., East Pittsburgh, Pa.

J-91039

HOW **W.E.S.*** CAN HELP YOU PLAN . . .

A nationwide corps of Westinghouse engineers offers you broad electrical and production experience gained through years of working with *your* industry.

These men can give you valuable assistance on *product development, rehabilitation of existing equipment, maintenance, material substitution.*

Put this service to work on your present problems . . . let these men work with your engineers in planning for reconversion to postwar needs.



Westinghouse

PLANTS IN 25 CITIES OFFICES EVERYWHERE

* WESTINGHOUSE ENGINEERING SERVICE FOR INDUSTRY



DR. HUGH HAMMOND BENNETT
of the U. S. Soil Conservation Service
puts dollars in farmers' pockets, but
they aren't taxpayers' dollars

HUGH HAMMOND BENNETT is the foremost soil conservationist in the world. So say other soil scientists. A ruff of light hair marks the perimeter of his bald spot. He is ruddy and genial. Without abating his geniality he can maintain his position. There is a faint suggestion of a cast in one eye.

He is 62 years old, six feet, one inch tall, and in the winter he weighs 210 pounds. During the summer he works off 30 pounds in his garden in his six acre place—Eight Oaks—near Falls Church, Va. He mows the huge lawn with a push mower. That helps.

Dr. Bennett is one of the devoted public servants who hold the Government of the United States together. There are scores of such useful men in our huge administrative establishment.

Mostly they do not get into the newspapers. They just work.

Not many bricks are thrown at them. That may compensate for the absence of bouquets.

When he sits at his desk he first unbut-

Scientist with His Feet in the Topsoil

By **HERBERT COREY**

tons his vest. Then he takes off his coat. He does his paper work because it is a necessary adjunct to his work in the "dirt." His men in the Soil Conservation Service follow his plan. They tell the farmers what should be done. Then they get out in the fields and do it. They build terraces and stock-water ponds and plant trees. Dr. Bennett has put 100 hitherto unknown grasses at work nailing down loose topsoil. He does not spend the Government's money on the farmers. They do their work themselves. The more they do that work the more they want to do. He says:

"They run us ragged."

In the midst of this war China asked him to send a man to show the peasants how to farm better. Dr. Walter Lowdermilk has just returned. Dr. Bennett has visited most of the South and Central American countries. Thirteen have sent young soil scientists to study under him. They pay their own way. One or two have been given jobs. They earn their money. When this war is over it is probable that some of Bennett's men will visit the desolated countries of Europe, because almost every country has soil conservation problems.

"Does it pay? Does it put more money in the farmer's jeans?"

It pays in millions. Remember that it costs nothing, except for administrative expenses. The Agricultural Adjustment Administration, which is an entirely different organization, spent \$195,000,000 in 1943 and has asked for \$273,000,000 for 1944.

"On 200,000 farms the increase in income has ranged from \$2,500 to \$3,000 as a result of the Soil Conservation Service's work."

That seems incredible. But remember that those farms were almost out of production because of soil erosion and its attendant evils. The farmers have kept books. On some farms the increases have run from \$7,000 to the top report of \$15,000. One had been practically washed away. No income to speak of in 1936. Gross average annual income, beginning with 1937, was \$3,750. The \$15,000 farm had grossed only \$2,160 in 1936. In 47 states, 9,244 farmers reported an average annual increase in the income from the major crops from conservation alone of 33 per cent.

"Conservation," said Dr. Bennett, "will add at least one-fifth to our farm income. It means that 1,000,000 farms may be added to our productive area. Where there were five producing farms there will be six. The acreage was reduced by 13 per cent in one corn area and 1,380,000 more bushels of corn were harvested."

And not a penny was put up by the taxpayer. Except, of course, for administration.

The story of a town should be told as a preface to the Bennett biography.

A town needed conservation

ONCE there were five stores in the town. There were also two lodge halls, two automobile repair shops, two churches, a small hotel with a rocking chair gallery, and a Hat Shoppe in which women could buy the intimate articles that embarrassed the male clerks in the Big Store. On a floor plows and harrows and mowing machines were in display.

Nowadays the few dollars spent in that town go through a single store. It offers a line ranging from harrow teeth to brassieres. In another little building the postmaster carries dusty cigars, soft drinks and hot dogs as sidelines. Almost any residence could be bought for the cost of the nails.

Multiply that haggard little town by no one knows how many similar little towns and guess at the loss to American business.

This particular little town was ruined because the farming land had been washed away. The forest had been cut over. The flood water swept over the fields.

In what was once known as the Dust Bowl there were many little dried-up

towns. The topsoil of the farms had been blown away.

Men and women desert such towns. They go on the road as okies. They drift into cities looking for jobs. Workers in distant factories lose their time because a market has been impaired. Frank R. Wilson of the Census Bureau has shown that the birth rate declines in disheartened farming districts. The national population figures show an increase, but it would have been greater and the buying power would have been larger if these people had not been driven from their homes.

Other factors contribute to the decay of the small towns. Good roads and fast cars draw customers to the larger cities where the better movies are to be found. The Federal Reserve Board, the Department of Commerce, the Bureau of the Census and the U. S. Chamber of Commerce agree there is not any definite fixation of responsibility between the many factors.

But, if erosion were stopped, hundreds of small towns would pick up again.

And Dr. Bennett believes that the land now being wasted will be needed.

There are no longer any new areas which may be brought into production. He thinks we must have larger crops. The times demand them. Vegetable oils may be called in to take the place of mineral oils; or to serve industry better. The makers of plastic gadgets may call on the farmer. Alcohol distilled from the waste products of the farm is already being used with gasoline in heavy duty motors. There is no end to the possibilities he sees:

"Farming promises more to us than ever before."

Much land can be saved

HE IS certain that 20 per cent can be added to our arable land by stopping the run-off and getting a part of the land back to something like its original condition. Some of it is done for. Perhaps 100,000,000 acres have been so washed out and dried and gullied that it can never be used except for pasturage and forest. Farm after farm is beset nowadays with gullies as much as 150 feet deep. Not even goats could live on them. Another 100,000,000 acres have been reduced in productive capacity but can be saved in whole or in part. This leaves only 460,000,000 acres of cultivable land and much of it is being washed away each season.

Bennett knows this land can be saved. He knows the hurt acres can be helped. He has been doing it for years: "The first 25 years no one paid any attention."

Fathers of inquiring small boys will note that he became a crusader because of eight words his father once spoke.

Bennett was born in the Lick Skillet section of North Carolina. The farmers themselves gave it that name. It is

an example of the sardonic humor that has always plagued Americans. Perhaps if we had not been so willing to grin at our troubles we would have cured them.

The Lick Skillet farms had once been fertile and the farmers prosperous. We had so much money in those days that no farmer ever bothered to save an acre. The forests were slashed and the topsoil washed away. The grandfathers had loped to the county towns on thoroughbred horses. The grandsons were lucky to own mules.

The Bennetts had been good farmers and the Bennett farm was a paying concern. There was no mortgage on it. William Osborne Bennett had been able to give each of his nine children an opportunity to go to college. He had planned to be a doctor but he fought through the Civil War and that ended that dream. When the future soil conservationist was seven years old he tagged one day at his father's heels. The older Bennett was working through his fields with a spade:

Dams to save the soil

"WHAT are you doing that for?" asked the boy. "Making all those little dams."

"To keep the good earth from washing away."

He learned from his father a reverence for and a love of "dirt." There is a virtue in it. He must get away from his desk now and then and plant his feet in it. Men who live on the soil have something in common. The Venezuelan Government sent for him to teach its Indians how to save their soil. Some of them were getting only three bushels of corn to the acre. Bennett found them sullen and blank-faced. They had been hungry all their lives. He "talks the worst Spanish you ever listened to—"

But he got into the dirt with his own hands and they were responsive. A current of understanding was set up. American farmers react in the same way. They do not take kindly to lectures by learned men, but when another farmer comes

along and says this is how it goes they listen. A rancher in Wyoming told Bennett that he and his men were definitely batty. Then they showed him that they knew more about his farm than he did. Presently he was a convert. Then he became an evangelist and brought in other farmers. One thing Bennett always tells them:

"It is easier to farm better than to slight the job."

Uses the tools at hand

HE OFTEN works with homemade tools. Like every enthusiast he would prefer the best. But a suggestion that a farmer spend a lot of money on a program in which he has little belief is likely to be met with blank stares. In Venezuela he explained to the Indians that the land should be terraced to save it from being washed away. They understood. Their ancestors had terraced some of the land. But they had no tools or instruments.

Bennett partly filled a beer bottle with water and corked it. A bubble found the bottle's middle when held level. So the Indians had a spirit level. There were blacksmiths who were able to produce tools from the odds and ends of metal that had been rusting in corners. He went into the jungle to do what he could. Snakes and sickness and insects were everywhere. Nothing happened to him. He has a theory that adventures do not take place if the eyes are kept firmly open. Only once the theory seemed shaky. One of his scientific associates was terribly afraid of snakes.

"He said he could smell 'em. Probably he could. There were plenty around there—fer-de-lances and bush masters—two of the most venomous snakes in the world. We never saw any of the snakes he smelled. They always got away."

There came a tough day in the jungle. Rain, mud, more rain. At night they needed a hot drink, but the soaked wood would not burn. The snake-haunted scientist sat down to rest on a pile of boards. Sat there for an hour. Then he ripped off the top board, and a seven-foot bush master ripped away into the darkness.

"One snake he didn't smell," said Bennett with considerable satisfaction. One gathers that the spectacle of an expensive scientist smelling for snakes in a repulsive jungle had cumulatively annoyed him.

He was a bit late in graduating from the University of North Carolina. He had been obliged to pause for two years to earn enough money to go on again. He was ready to graduate as a chemist—specializing in soils—when Civil Service offered him a job to classify land. He did not wait to take his examination. In 1903, when he was 22, he was rated as a soil scientist in the soil survey then being conducted by the Department of Agriculture. In 1909 he was a member of the agricultural





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*you may be glad you
looked into this*

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COMPANIES
or buy out
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- to purchase other companies
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For a copy of "Capital Sources," drop a line to Department 44.

In fact, it seems certain that "as the war spigot shuts off" more companies than ever before will use such readily adaptable services as ours . . . rather than less flexible forms of financing which might restrict management or prove burdensome later.

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expedition to the Canal Zone. Twenty-nine years old. In 1914 he was in charge of the explorative expedition to find Alaska's farming possibilities. Thirty-four years old. In 1918 he broke out to go to war as lieutenant of Engineers. Thereafter expedition and commission followed in routine, to various Central and South American countries. In 1933 he was the director of the soil erosion service of the Interior Department, and he has been chief of the Soil Conservation Service of the Department of Agriculture since 1935. In between and coincidental with services on many commissions he managed to turn out authoritative books and articles. He is a member of many scientific organizations, the Cosmos, Explorers and Authors clubs, the Episcopal church and the Democratic party.

He learned in the jungles to eat lizards.

"They're pretty good after you get 'em down."

Land can be improved

HIS statement that, for the first 25 of his 40 years of soil saving, "no one paid any attention to me" might be taken with a dash of salt. He had the support of his superior officers in the Government and of other scientists. It took the farmers some time "to wake up" but in the end many of them did. There is a power of propaganda in a bank book. He proved that washed out land—"land that wouldn't sprout a white bean"—could often be brought back to production. Better land could be improved. The farmer who ploughed around a hillock instead of straight up and down not only did so at less cost but saved his land and made better crops.

One thing that helped to convince his audience is that he is hard to lick. Sometimes he was unable to stop erosion in light soils by any known method. So he planted weed seed and the washing stopped. The first year the farmers laughed. The second year they scratched their heads. After that they were Bennett's men.

The gramma grass of the Southwest was one of the best natural grazing grasses but it had been dried out and grazed out. Its seeds are so tiny that no one had harvested them successfully. He put a modified carpet sweeper at work to get the seed. Now thousands of acres keep sheep and cattle fat.

His men map sections from planes. Each farm is a separate problem but each must be treated in its relationship to the whole.

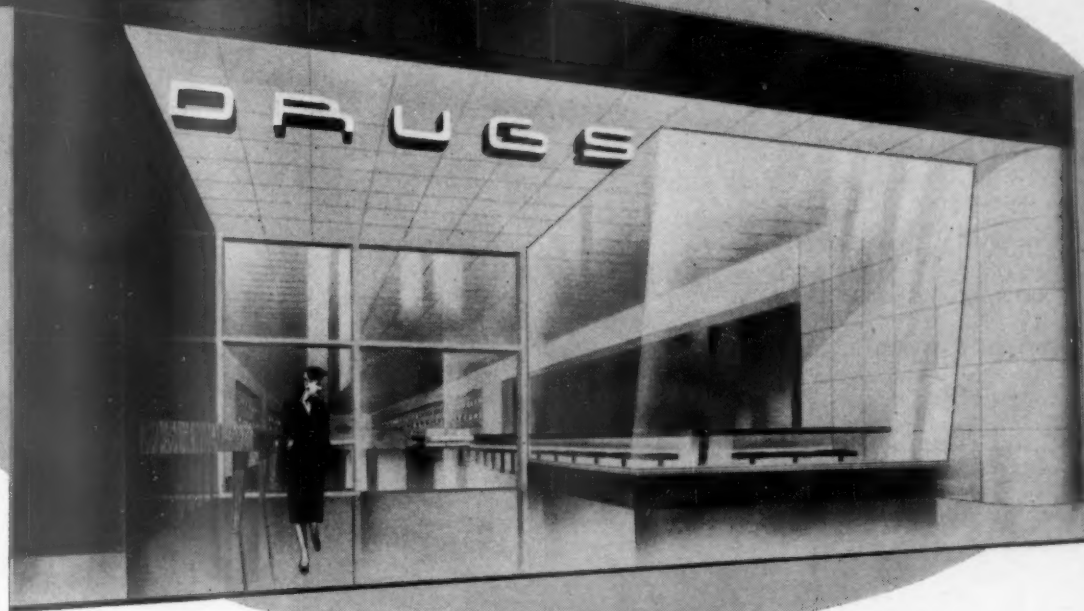
Therefore in the twenty-fifth year of his service the Soil Erosion Service came into being. The farmers seem to like it. "We don't give 'em a cent for anything."

Dr. Bennett is so close to his "dirt" that he knows how farmers think. They all want to improve their methods and their profits. But they do not like to be bossed. They detest detail and questionnaires and paperwork. They are essentially neighborhood bodies. If Neighbor Jones tries a new scheme Smith and

(Continued on page 98)



**ARE YOU HIDING
FROM CUSTOMERS?**



PUT YOUR WHOLE STORE ON DISPLAY...

WITH A *Visual Front*

If you could open the entire front of your store, with no barrier to vision between sidewalk traffic and merchandise displayed inside, wouldn't you boost store traffic—and sales?

Compare the merchandising power of the conventional front, such as shown in the upper photo, with the suggested design for a modern Visual Front that fits the same space. The Visual Front wipes out the barrier . . . lets people see right into the store.

The display window, slanted to reduce reflections, draws people inside the building line. And as they get nearer the displays, they are attracted by the full view of the store

interior—its contents and its activity. There's nothing — absolutely nothing — to stop their vision. Even the doors are clear glass—made of Tuf-flex, the extra strong, tempered plate glass.

There's beauty in this modern front, too. Lasting beauty. The clear glass areas are framed in Vitrolite, the opaque structural glass that keeps its brilliant color and sparkle. Day and night, a front like this presents a wide-awake, attractive face to the public. Before you put your modernization designs on paper, consult your L·O·F distributors. Libbey·Owens·Ford Glass Company, 7344 Nicholas Building, Toledo 3, Ohio.



LIBBEY · OWENS · FORD
a Great Name in **GLASS**

The Coming Battle of the Metals

By PHILIP H. SMITH

THE light metals, now proving they can do some jobs better than other metals, plan to expand after the war. But steel is moving in fast to meet the new competition

A BIG BATTLE is brewing.

The metals will be at each other's throats the minute they are released from restrictions.

Aluminum and magnesium, in particular, are going to fight to hold their war-won position and strive to capture more territory from steel.

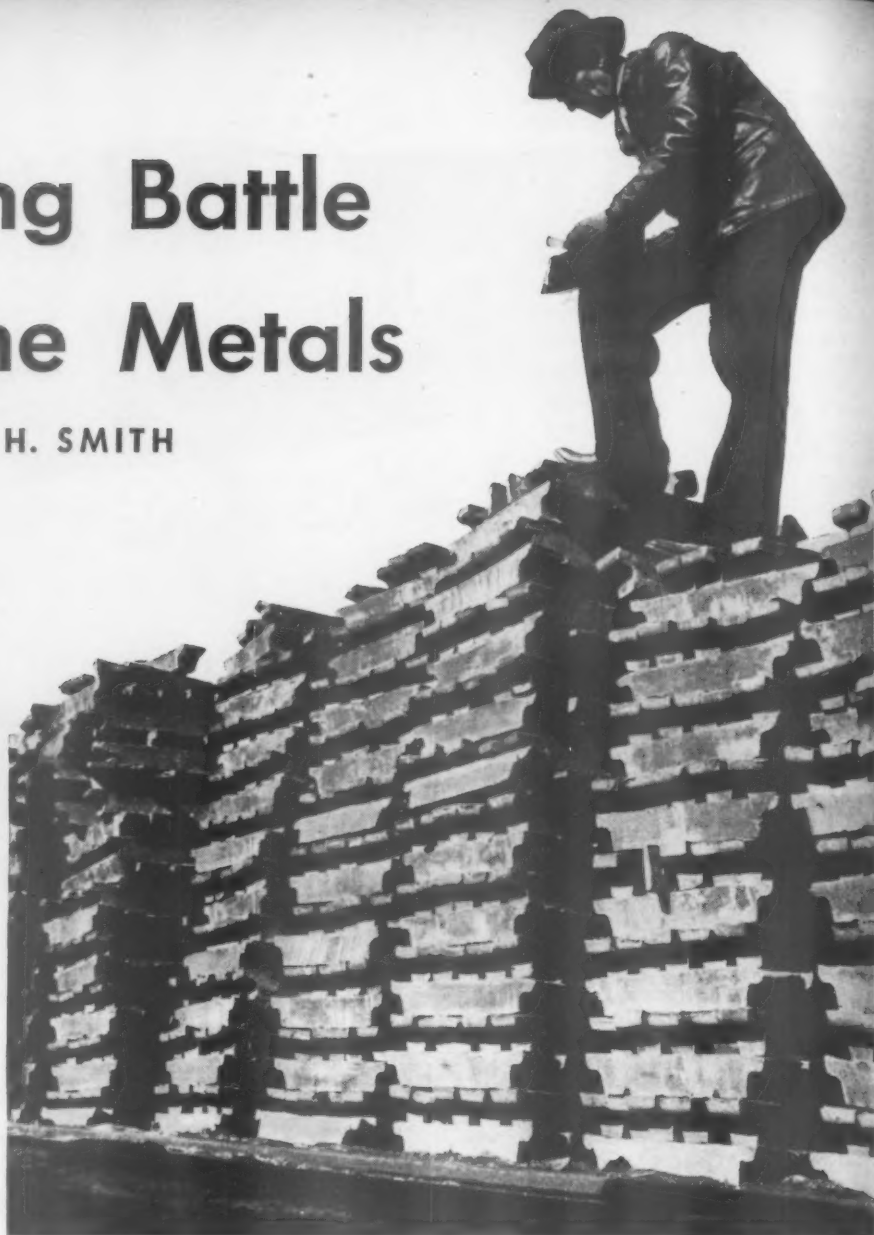
Some people think the battle is already won. They see a postwar world filled with featherweight trains, automobiles, vacuum sweepers and furniture.

Some of this will come true because the light metals have certain superior qualities. Aluminum is only a third the weight of steel and won't rust. Magnesium is still lighter and machines easily. Both metals have given an honorable account of themselves in war service and have proved they can do many things better than other metals. Then, too, the supply is plentiful.

Aluminum production has been tremendous. It reached 2,100,000,000 pounds last year, or six and one-half times the 1939 output. In the same interval, magnesium output multiplied 60 times to reach 400,000,000 pounds. This adds up to an impressive amount and seems to support the contention that we are entering the Age of Light Metals.

On the surface everything looks rosy for conquest. But probe beneath and several obstacles come to light.

For some reason, aluminum production is always stated in pounds. It gives a distorted picture of the weight this contestant can throw into battle. If you convert the pounds to tons, the figure drops to 1,050,000. That is not so impressive and it is not helped materially



ROY PINNEY FROM F. P. G.

Out of the drive to keep aluminum, magnesium and steel from piling up when peace comes, the consumer will be the winner

by adding 200,000 which is magnesium's tonnage.

When you crash 1,250,000 up against 89,000,000 (last year's steel tonnage), the battle shapes up like the little affair between David and Goliath—but without the sling shot.

Scrap adds to volume

TWO things put a better face on the situation, but they do not change it basically. The light weight of aluminum means that, pound for pound, it goes further than steel. Moreover, a lot of scrap is accumulating which can be thrown into the breach when the battle begins.

Magnesium makes an even better showing on a volume basis. But the accumulation of scrap is not as great because half of what is currently being produced goes into goods that are consumed, such as tracer bullets and flares.

Both metals are relatively expensive. To make aluminum requires a great

deal of electric current, and that sets a price below which the price of the metal cannot go. Unless some new method is developed to make aluminum, it will continue to cost from three to five times as much as steel. Magnesium, too, is a high-cost metal.

The amount of light metal available and its cost disposes of any idea that it can dominate steel and smother the country with featherweight objects. However, the two metals can put up a fight and that's what they are going to do—on battlefields they pick themselves.

Their major offensive will be to hold the present grip on air transportation and to get a stronger grasp on land and sea transport. Strategy dictates this. These strongholds, if secured, will give outlets for large amounts of metal.

Modern military aircraft represent tops in the use of light metals; 75 per cent of the weight of a plane represents aluminum. If it is a fighter plane it probably has 1,000 pounds of magnesium in



Full Mess Kits

WHEREVER THEY FIGHT

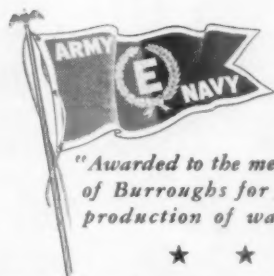
To make our armies, in action all over the globe, the best fed of *all* armies is the tough task of the Army Service Forces. It calls for an infinite amount of patient, precise planning.

In army planning, men and foods are translated into figures. Figuring apportions those foods to the men, wherever they are, in scientifically balanced rations. The fighting trim of our fighting men depends on facts and figures and figuring.

Thousands of Burroughs adding, calculating and accounting machines are now engaged in figuring work vital to the war, just as Burroughs machines were used in peacetime—to save time and manpower by expediting work, contributing to accuracy.

BURROUGHS ADDING MACHINE COMPANY • DETROIT

Burroughs



Years of experience in precision manufacturing are enabling Burroughs to produce and deliver the famous Norden bombsight—one of the most precise instruments used in modern warfare.

New figuring and accounting machines are also being produced by Burroughs for the Army, Navy, U. S. Government and other enterprises whose needs are approved by the War Production Board.

★ BUY MORE WAR BONDS ★

FIGURING, ACCOUNTING AND STATISTICAL MACHINES • NATIONWIDE MAINTENANCE SERVICE • BUSINESS MACHINE SUPPLIES

NATION'S BUSINESS for April, 1944

it; if it is a bomber it may have twice that. These ships demonstrate a knowledge of design and fabrication which can be carried over into the field of commercial transport when the postwar era ushers in giant cargo planes.

But this will not be a walkaway. A plane built entirely of stainless steel has already flown. This alloy steel is not light but it has great strength and can be welded quickly and easily. Structural sections of stainless steel can be thinner than those of aluminum, offsetting the heavier weight; welded construction gets away from riveting, and rivetless planes offer less resistance in flight. All in all it is no wonder that some of the plane builders who have giant airliners on their drawing boards have forecast stainless steel aircraft for the future.

Plane production will drop off after the war and more light metal may be coming out of scrapped planes than going into new ones. Quite the reverse is true of land transport. The few lightweight passenger trains that have been built have given comfortable, profitable service for enough years to indicate a bright future. Six months after peace is declared and controls relaxed, you will be able to ride in new, luxurious coaches. They will multiply fast because the railroads want to hold the patronage they have had during the war.

Aircraft must be light regardless of cost; passenger trains can be light and it is highly desirable, but a balance must be struck between the extra price paid

for lightness and the increase in revenue to be derived. If using 30,000 pounds of aluminum will cut the weight of a coach by two-thirds, it is a paying proposition.

Even if it adds about \$7,000 to the cost, it is not exorbitant in view of the total car cost of some \$85,000. Train length can be increased and that means more revenue on each trip. Of course, designers are not going to stop with making the coaches lighter. They will incorporate every known comfort to induce you to travel by rail.

Freight trains and airplanes

THE railroads are rumored to be planning lightweight freight trains to run at high speed from coast to coast to compete with cargo planes. It's a nice idea but may not materialize. There is room for both air and rail service, the former to carry small, valuable goods which justify high speed, high-cost shipment; the latter to handle bulky shipments like coal. If the railroads can meet the competition of the motor truck, they will be doing mighty well.

Lightweight freight and express trains would offer an excellent opportunity to effect economies. Much longer trains could be run. But an aluminum car would cost more, perhaps double that of the old-style car. The added cost would have to be earned in a reasonable time and this could be done only by keeping the car in steady operation.

Freight cars have a way of wandering

like tramp steamers, and when they are rolling on alien track they bring a standard rental to the company that owns them. It is conceivable, therefore, that the X.Y.Z. Railroad, which is progressive enough to buy these new cars, might find them running mostly on rival roads.

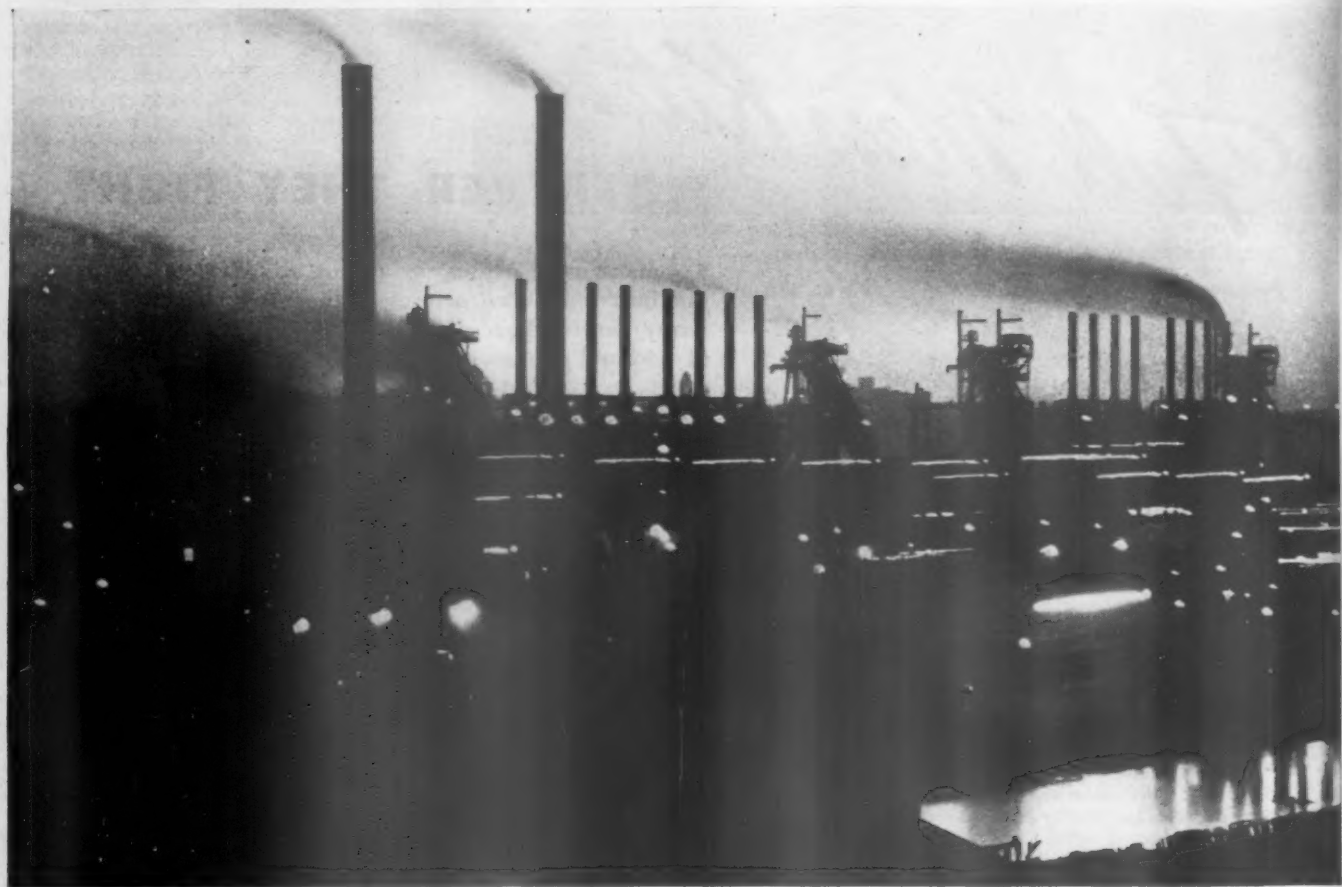
The chance of such a misfire has been one reason the roads have embarked on no large-scale program for acquiring lightweight freights, but the idea is by no means dead. One car builder is considering building lightweight box cars at no added cost, by using high-strength, alloy steels instead of aluminum. He figures to reduce a car's weight by four or five tons.

Aluminum is not going to take this lying down. The railroads represent too important a market to give up without a fight. If box cars cannot be built economically of aluminum, perhaps hopper cars can. Hopper cars carry coal, and aluminum is unaffected by the sulphur in coal. Of course, hopper cars could also be built out of alloy steel, although the possible weight saving is not as great as it is in box cars.

So the battle lines will sway back and forth.

Before the war, aluminum bodies were made for motor and trolley buses and motor trucks. They were becoming popular because they earned their extra cost quickly and then began paying handsome dividends. A dump truck or

(Continued on page 93)



Last year, America's steel mills broke all records in the production of alloy steels. Not light, but strong, the alloys will find many new uses as weight-reducing materials

LOOK SOUTH
LOOK AHEAD



Southern Vegetables, 1944 STYLE

It wasn't raised in a greenhouse. This novel specimen "grew" in a research chemist's test tube . . . and a maturing plant became a self-lubricating gear wheel that needs no oil.

A miracle? Yes . . . the miracle of corn that turns into chemicals . . . of soy beans that become paint and oil. This is the miracle of modern plastics; one of the wonders of synthetic chemistry.

In these miracles we see great new post-war opportunities for the agriculture and industry of the Southland.

For they mean new uses for Southern farm products . . . new markets for the diversified crops

that grow so bountifully in fertile Southern soil . . . new industries to use Southern skills.

Because of these miracles, Southern agriculture and Southern industry will surely expand and prosper together after the war.

And the Southern Railway, in peacetime as in war, will continue to serve the growing South . . . taking its post-war Southern vegetables, *all styles*, to waiting markets . . . helping to make the Southland greater, stronger than ever before.

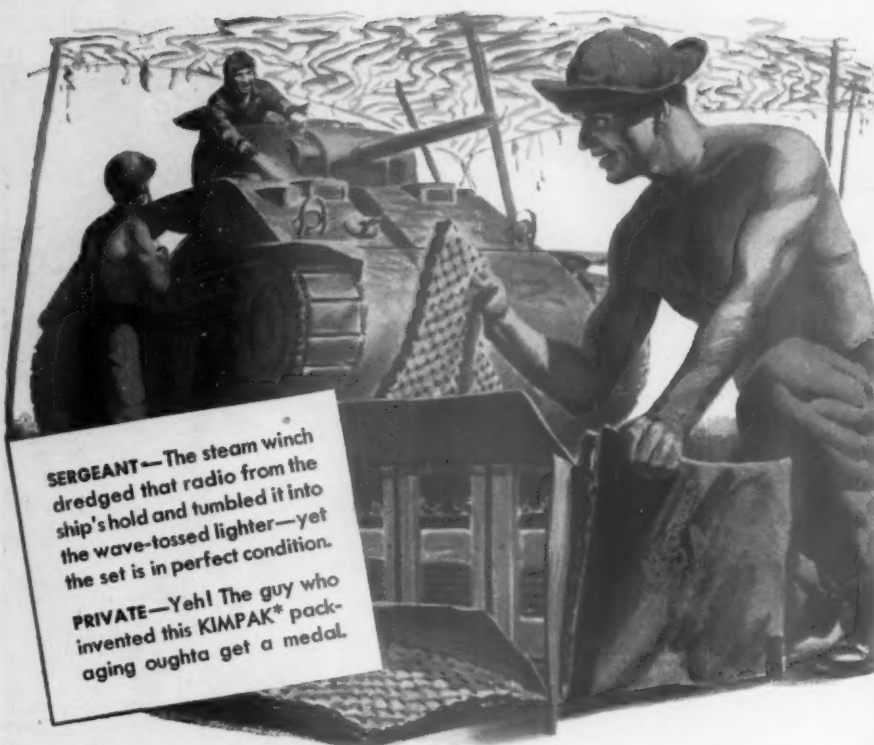
Look Ahead . . . Look South!

Ernest E. Harris

President

SOUTHERN RAILWAY SYSTEM

The Southern Serves the South



Give Your Post-War Product This Shipping-Damage Insurance

TODAY, KIMPAK—the marvelous shock-absorbing packaging—is conveying war products safely to their destinations. TOMORROW, it will be available aplenty to provide better, thriftier, more attractive protection of peacetime products, ranging from elephant-sized machines to delicate vials of perfume.

Soft, resilient, cushion-like KIMPAK Creped Wadding is made in rolls, sheets and pads. Ten standard types in various thicknesses, to meet individual requirements.

It prevents chafing of your product's surfaces, and absorbs jars more effectively than many packaging materials of greater density. It cuts packaging time, reduces package size and weight, requires relatively little space in the shipping room. IT'S TOMORROW'S PACKAGING!

Let our packaging engineers help you solve your post-war packaging problem. Telephone, write or wire for the KIMPAK representative today. Address: Kimberly-Clark Corporation, Neenah, Wisconsin.

*KIMPAK (trade-mark) means Kimberly-Clark Wadding.

Kimpak
REG. U.S. PAT. OFF. & FOREIGN COUNTRIES
CREPED WADDING

A PRODUCT OF
**Kimberly
Clark**
RESEARCH

Fair Taxes Can Aid Job Makers

(Continued from page 24)

therefore finished. Such taxes serve to "freeze" business at its present stage—but that is hardly a matter of concern to people thoroughly convinced that it cannot move beyond this stage anyhow.

With a more widespread popular awareness of the new and greater horizons of economic opportunity opening up for our country in the postwar years, there should come also a revulsion against the present confused, repressive and often punitive tax policies.

These policies have proved that they prevent the accumulation of capital for productive investment and destroy the incentive for risking savings in job-making ventures. Safe but unproductive investment in government bonds, for instance, makes more sense under current tax conditions than hazardous, creative undertakings. In addition, the capital gains tax operates to prevent the easy flow of capital from one type of investment to another. The total revenues from this tax source have been slight, yet it has limited the mobility of capital to the detriment of business expansion.

Business taxes hit twice

OUR present tax system pyramids its inequities by taxing business doubly—first in absorbing profits at the source in the business firm, then in taxing the income that reaches the individual stockholder. This duplication is frequently quadrupled by state taxes which likewise take two bites out of the income.

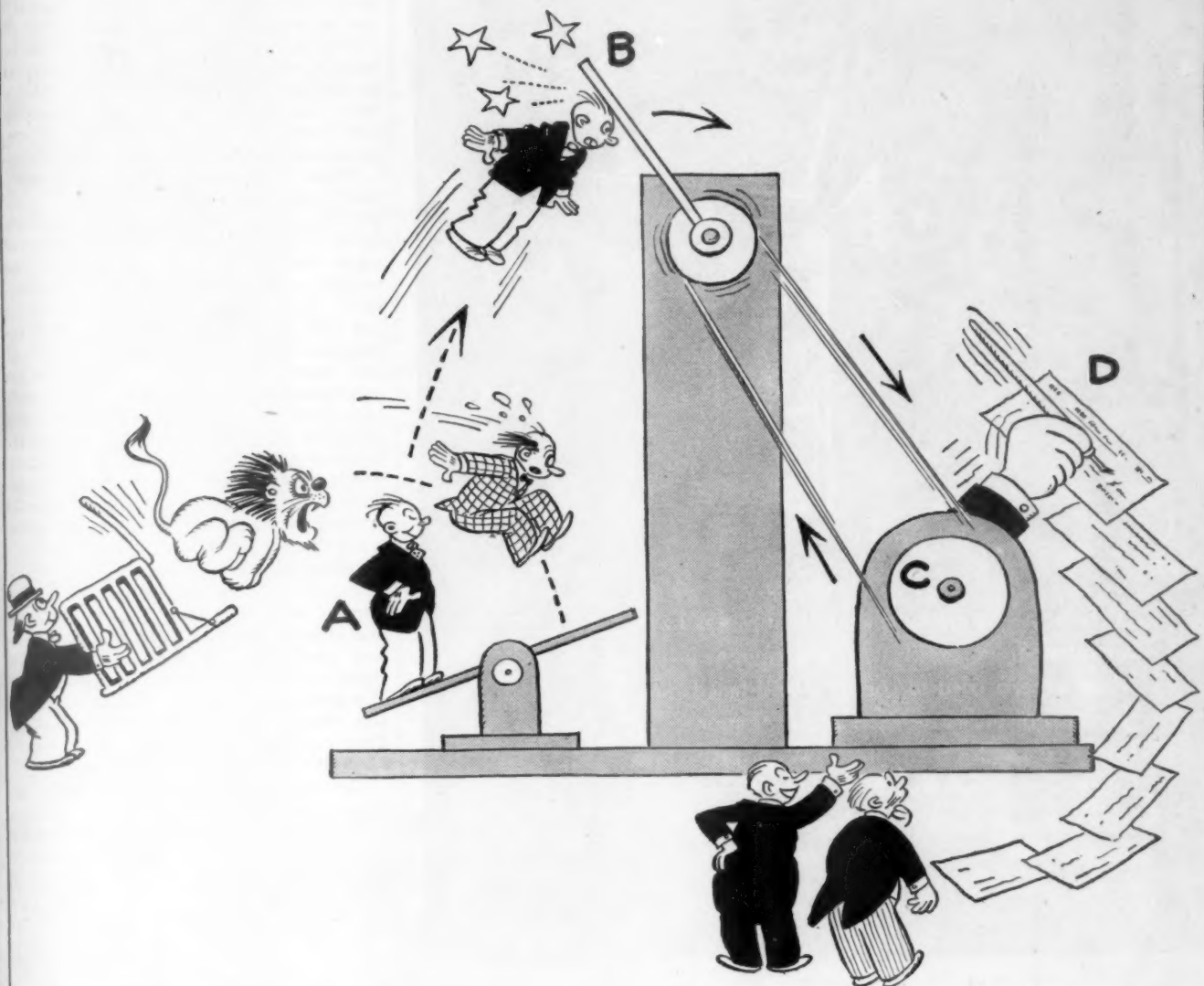
There is no denying that a certain feeling for "social justice," complicated by a less pretty but even more effective desire for "social vengeance," plays a part in our tax system. Its greatest weight, seemingly though not always actually, is piled on a group that is numerically small and hence politically weak. Those with \$2,000 or \$5,000 incomes have a lot more votes than the minority which would have been affected by the \$25,000 wage ceiling.

Unfortunately, much more than the imposition of income limits is involved. The funds siphoned off into government coffers would not have been used for "high living" and self-indulgence. It would have been used to swell the stream of investment capital. That is one side of the medal. The other side is that limitation of incomes destroys the incentive to enterprise among the minority that is in the business of job making.

Equality of income is an attractive political slogan. It has the surface sheen of justice. Fewer Americans would fall for it if they realized that its ultimate effect is to dry up the sources of all income, equal or otherwise. Its logical end-products are general impoverishment, a stalled economy, and the totalitarian state exercising monopoly powers.

Just as soon as we recognize the terrific power for destruction residing in

NO. DON'T TRY IT THIS WAY!



GADGETS don't necessarily mean an efficient check and payroll plan!

If you want a payroll method that will—

Speed up the time it takes to write checks and get them to your employees

Cut down the cost per check

Cut down on bookkeeping — and help solve 'your manpower problem —

Simply call your nearest Comptometer Co. representative and ask for details on the Comptometer Check-and-Payroll Plan. There's no charge — and he'll be happy to explain this quick and efficient method. Felt & Tarrant Manufacturing Company, 1712 North Paulina Street, Chicago 22, Ill.

COMPTOMETER

REG. U. S. PAT. OFF.

ADDING-CALCULATING MACHINES AND METHODS

H. W. AYER & SON

NATION'S BUSINESS for April, 1944

EXAMPLE OF *Service*:



A chain of 150 motion picture houses was having consistent trouble with its power equipment. Many experts tried to correct it and failed... then one of our Cities Service Lubrication Engineers tackled the problem. With the exclusive Cities Service *Industrial Heat Prover* he analyzed combustion... made necessary adjustments. In the two years since, these plants have shown greater efficiency, lower operating costs.

More and more, it's service that counts...

and

Cities Service
means good service!



CITIES SERVICE OIL COMPANY

ARKANSAS FUEL OIL COMPANY

taxation, we become aware, also, of no less terrific power for construction. Curbing and reforming the present tax system to remove barriers to investment and to wholesome business enterprise is essential. But that is only the negative phase. There is a positive aspect. What can and should follow is a purposeful use of the tax potential by the American people, through Congress, to stimulate the capitalist enterprise system.

We can use taxation as a tool for creative economic achievements. It can be deliberately planned to make jobs, to coax savings and other capital into the active stream of productive investment to help small business extend itself.

What is often called "incentive taxation" can be misused to give undue privileges to certain groups. But basically it is a valid procedure. To brush it aside because it lends itself to excess would be like forbidding medicines because an overdose may be harmful.

I believe there should be special tax concessions for new enterprise for a limited number of years—the period of dangerous infant mortality in business—and special tax treatment for capital invested in plant expansion and other job-making efforts. Incentive taxation would give old and new businesses more chance to weather economic storms by levying taxes on average earnings over a number of years, rather than on peak earnings in good years.

Taxation in the recent past has been applied as a weapon of class struggle and class cleavage. It can be applied no less effectively to cement social relations and to head off industrial strife. Tax policies in recent years have sapped the vitality of American capitalism. They can be reformed to act as a stimulus and tonic to that capitalism.

"Instead of killing the goose that lays the golden eggs, we shall do better to try to hatch more geese who can lay golden eggs—and the golden eggs of tomorrow are the jobs created by little men who dream of being big."



Battle Hymn...

Work of America's millions is rising to a powerful crescendo . . . echoing throughout the world . . . sounding the death knell of the enemies of freedom.

Work is the battle hymn of America!

Everywhere in this land — in war factories, great and small . . . in shipyards . . . in offices . . . in forests, fields and mines, and over the humming rails . . . work of America's millions is producing and moving the greatest flood of machines and materials of war in the history of the world.

But the end is not yet. Work and the swelling tide of production must be carried on — with ever increasing speed and volume. We must and will supply our great fighting forces and our fighting allies for their supreme effort, with overwhelming superiority of equipment, in quantity and quality. They can and will smash the enemy into complete and utter defeat.

When Victory is won, America's millions must work on . . . to win the Peace. With the same American initiative and resourcefulness that made this nation great, we will work on and win the Peace, and help to build a better world for mankind.

NORFOLK and WESTERN *Railway*

ONE OF AMERICA'S RAILROADS . . . *All* UNITED FOR VICTORY!

BUY MORE WAR BONDS



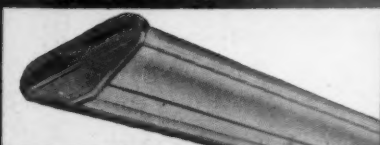
In a nutshell—



There's a

Guth

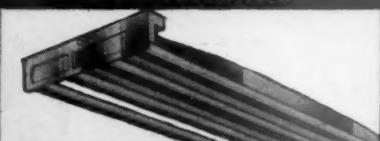
**Fluorescent Fixture
for Every Modern
Lighting Need!**



GUTH EXCELUX



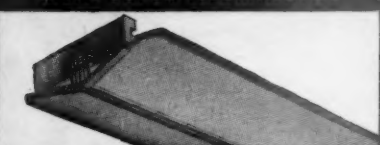
GUTH FUTURLITER



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GUTH ARISTOLITE

● GUTH Fluorescent Lighting is available in types for every requirement. Smartly styled—modern—efficient—dependable! That summarizes today's GUTH Fluorescent—the engineering achievement based on over 40 years of lighting leadership!

Ultra-Violet

for Offices, Schools, Hospitals
GUTH Germicidal Fixtures—the new, proven way to disinfect air, destroy air-carried bacteria—help control contagion. Helps prevent absenteeism due to colds and "flu."

Write for full details on GUTH Lighting and Ultra-Violet Units. Use your business letterhead, please.



THE EDWIN F. GUTH CO.
2615 Washington Ave., St. Louis 3, Mo.

Road Map to Reconversion

(Continued from page 26)

long time is seen in its promise that materials control after the war will prevent big business from getting the jump on small business and "cartelizing" American industry. Regulation of production is being advocated for two or three years after the war with quotas based on 1939 production.

Business men will quit offices

WHETHER or not such proposals are merely talk, there is one real danger ahead: When the war is over, the business men, who are now on temporary leave from their own firms and holding responsible jobs in the emergency agencies, will be needed and demanded by their companies. They will either have to go back to their regular work or else run the risk of losing out permanently in their respective fields.

And when these business men do leave the government service, professional office seekers who look to government for permanent employment will take over. They will use every strategy to find something for their agencies to do.

With wartime controls established as regular peacetime functions of the Government, we would have, in effect, a permanent NRA under lingering wartime alphabetical designations.

At the moment, the Baruch-Hancock Report is merely a blueprint of proposed policies and programs. It is not yet a working reality. Congress must give it body and substance, with a simplified system of government-guaranteed loans through local banks, to finance contract terminations.

Congress also must authorize special auditing procedures for these terminations.

Next, Congress must lay down broad policies to govern the disposition of surplus plant and equipment. Finally, it must organize in detail the rate of demobilization, as determined by postwar military policy.

When all these matters have been determined, Congress must set down a long-term postwar budget and fiscal program, predicated on tax rates which will stimulate venture capital and new enterprises.

Without a broad and intelligible definition of national policy on all these fundamentals, postwar planning, either in government or business, finds no foundation on which to build. Only Congress, in cooperation with the Executive, can set down the general framework of our postwar economic policy.

So far as contract termination goes—and this is the undisputed first problem on the reconversion timetable—the leg-

Termination Financial Kit

HERE IS the "complete financial kit" recommended in the Baruch-Hancock report to hasten cash settlements on cancelled war contracts:

- 1 • Immediate payment—the full 100 percent—for all completed articles.
- 2 • On the uncompleted portion of the contract, immediate payment—the full 100 percent—of the Government's estimate of *factual* items, where proof ordinarily is simple, such as direct labor or materials; and of other items on which the Government is able to satisfy itself, up to 90 percent of the contractor's total *estimated* costs.
- 3 • Immediate payment—the full 100 percent—of settlements with subcontractors as soon as approved.
- 4 • Payment by the Government of *interest on termination claims*, until settled.
- 5 • As insurance against delays in validating claims, a new, *simplified system of T (Termination) loans by local banks*, with Government guarantees, to be available to all war contractors, primes and subs.
- 6 • For those unable to obtain such loans from their local banks in 30 days, the Government to make the loans directly.
- 7 • Until the new T loans are authorized by Congress, *extension of V and VT loans* to all eligible borrowers.
- 8 • Finally, for hardship cases, unable to use any of the tools outlined above, *expedited settlements*.

islation already is in preliminary form in the George-Murray Bill, now before the Senate. If this measure be given the legislative right-of-way, it can be enacted before Congress recesses in June. If not completed by June, it likely will go over to January, 1945, because of the presidential campaign.

In the final analysis, therefore, the Baruch-Hancock Report represents merely a first step by government toward an integrated postwar economic program. Several additional steps, in both legislation and administrative arrangements, remain to be formulated.

Meanwhile, there are a few things which management itself may do, as suggested in the report, by way of preparing for the anticipated "adventure in prosperity."

"The war has been a crucible for all the economic systems of the world, for our own, for Communism, for Fascism, Nazism and all the others. And the American system has outproduced the world."

America has outproduced

THIS conclusion parallels closely the sentiment voiced by Marshal Stalin in his historic toast to President Roosevelt at the Teheran Conference. In lauding the industrial might of the U. S. as the decisive factor in victory, Stalin said:

"Without American machines, the United Nations never could have won the war."

How translate this still unmeasured industrial primacy to the tasks of peace?

First, war contractors should be prepared to submit their termination claims promptly. The Baruch report recommends a 60 day deadline for the clearing of government property from war plants, with every manufacturer having the right to remove and store such property earlier at his own risk.

This 60 day interval well may prove the making or breaking of the whole reconversion program. To be ready to move quickly on termination settlements, and to resume some civilian production in a matter of only days, should be the first objective of management.

In the automobile industry, this work is far advanced. In other major industries, however, specific plans have been delayed by uncertainties as to the status of postwar material controls by WPB. In still others, adjustment programs have been held up because of rigid manpower controls.

Industrial managers may smooth their postwar paths by aggressive advance work on these federal tangles. Here, too, is a promising field for work of trade associations.

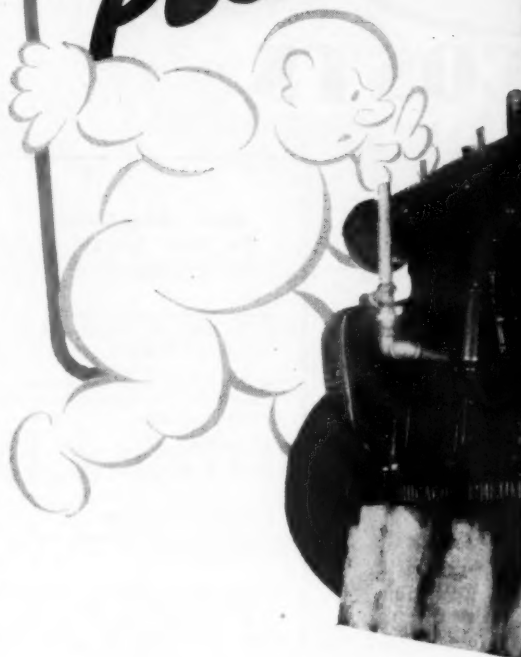
Nor need the problem of excess war inventories await the actual end of hostilities. The report points out:

"The months to come, while the war is still on, are the most precious months for disposal. Market conditions will never be better. Effective action now could reduce enormously the likely surpluses that will be left after the war."

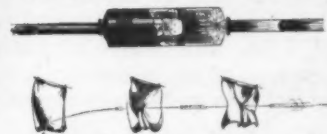
On the Government's side, production

HOW TO TELL A DIESEL ENGINE

"QUIET PLEASE"



THE SNUBBING PRINCIPLE



The energy of an exhaust slug traveling through a Snubber is like that of a golf ball driven through a series of thin blankets. The chambers in the Snubber act like blankets and gradually slow down the fast-moving exhaust slugs so they leave the tail pipe in a smooth, quiet flow.

It is not a simple matter to quiet the thundering roar of Diesel engine exhausts, but Burgess Exhaust Snubbers prevent exhaust noise by slowing down the fast-moving slugs of exhaust gases before they reach the atmosphere. Smoothing the gas flow to atmosphere takes the noisy "punch" out of the exhaust.

With Burgess Snubbers, Diesel engines can be installed in hospitals, hotels, office buildings, residential districts, and other critical locations where noise cannot be tolerated. Diesel engine operators who know the value of quiet exhausts specify Burgess Snubbers.

Today, Burgess Snubbers are made for war use, but they will be back and ready to meet your needs after the war.

BURGESS-MANNING COMPANY
Chicago, Illinois

TYPICAL INSTALLATION



This Diesel-operated power plant at Carmi, Illinois, is typical of the hundreds of plants all over the country in which Burgess Snubbers are providing quiet exhausts and stepping up engine efficiency.

BURGESS DIESEL EXHAUST SNUBBERS



*An Important Message
to Manufacturers*

from PRENTICE COOPER
GOVERNOR OF TENNESSEE

POWER COSTS ARE PART OF PRODUCTION COSTS

CERTAINLY you must consider future power cost in your plans for meeting postwar competition. Not only the cost but also the availability of **adequate** power.

Tennessee is one state that offers either hydroelectric or steam-generated power in abundance. The giant hydroelectric system of TVA will have a postwar maximum capacity of 18 billion kwh available at the **lowest rate in Eastern America.**

The four thousand square miles of coal-producing fields, with short hauls to every section, insure economical steam-power generation.

Low-cost power is only one of the many advantages to plant locations in Tennessee. Check the other **basic** advantages listed.

Manufacturers interested in meeting changing conditions, increasing population shifts, and postwar competition should investigate Tennessee now.

Write for specific information and surveys relating to your particular requirements. Ask for illustrated book: "Tennessee—Land of Industrial Advantages."

Basic Advantages To Plant Locations In Tennessee

- ★ An unsurpassed variety of major industrial minerals and agricultural products.
- ★ Huge coal reserves making possible economical steam-power generation.
- ★ An inexhaustible supply of industrially suitable water.
- ★ Inland waterway system of three great rivers for low-cost transportation to Midwest, Gulf, and World ports.
- ★ Central location permitting 24-hour delivery to more than 51% of the Nation's population.
- ★ Excellent railway, highway, and airline transportation.
- ★ Cooperative skilled and semi-skilled native-born labor.
- ★ Opportunity for low-cost assemblage of raw materials or manufactured parts.
- ★ Uncongested plant sites near basic materials, river and rail terminals.
- ★ Ideal living conditions for both employer and employee.
- ★ Sound State tax structure. No personal earnings or sales taxes.
- ★ State and municipal governments friendly to industry.

capacity should be reduced gradually as victory goals are approached.

"Where there have been expansions far beyond any possible postwar need, it will be better to cancel war contracts earlier, and begin reducing the 'bloat,' than to wait until it all has to be done at once."

In the development of our urgent war production program, management often was discovered to be far ahead of government plans. Current reports from various trade associations suggest the same probably will be true in many lines during the critical period of postwar adjustment. In the meantime, however, management can contribute much to postwar employment, prosperity and stability by joining forces with both government and labor in militant support of the broad guiding principles of the Baruch-Hancock blueprint.

Congress has recently demonstrated a fixed purpose to re-establish constitutional government and maintain the traditions of competitive enterprise in the postwar era. The common ground of agreement between all elements of our national economy is broad and firm. If men of good will but meet within those areas of agreement, and there work out details of application, the nation may look forward confidently to a period of solid reconstruction and prosperity.



Small and Fast

An electric motor is built to operate at a speed of 120,000 revolutions a minute—65 times faster than usual motors found around the house. It is rated at three horsepower and weighs seven pounds compared with a conventional three-horsepower motor which weighs 105 pounds.

The new motor is to be used for grinding and drilling. It is water-cooled. Its speed is described by D. H. Ware, on the right in picture above, a motor engineer of the General Electric Co.: "If the wheels of an automobile could be made to turn at the same speed, the auto would move 10,000 miles per hour."

Governor's Industrial Council, Department of Conservation
710 State Office Bldg. Nashville, (3) Tenn.

Investigate **TENNESSEE**
THE FIRST PUBLIC POWER STATE



It's Audit Time for OPA

By JACK B. WALLACH

THE PRICE CONTROL ACT, under which OPA operates, expires June 30, 1944. Its renewal is not a political issue. Representative Joseph W. Martin, Jr., minority floor leader in the House says:

"There is no question of the need of a price control act. With a scarcity of consumer goods, price control is absolutely necessary if we are to avoid runaway prices."

But, although continuance of a price control act is certain, both Democrats and Republicans will make efforts to correct past mistakes of policy and practice. Above all, Congress will try to enforce future compliance—not only in the letter, but in the spirit—with the definite order included in the Emergency Price Control Act of 1942:

"The powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution, established in any industry, except to prevent circumvention or evasion of any regulation, order, price schedule or requirement under this Act."

It is doubtful whether Congress, in debating the renewal of the Price Control Act, will spend much time beating the

WHEN CONGRESS renews the Price Control Act in June, it doubtless will put a ceiling on future efforts to change our economic system

dead horses of consumer irritation. In the past few months, Administrator Chester Bowles has done a good job of helping the consumer forget the spying, the obvious distrust of every citizen's honesty, the overplaying of penalties for non-compliance, which added up to a public resistance toward necessary price control and to the dangerous attitude that it was smart to beat OPA.

But the second part of Mr. Bowles job is just beginning to get serious consideration. That job is to eliminate every possible cause of needless irritation to retailers, wholesalers and manufacturers. Such things as the bypassing or ignoring of business advice and the imposition of an intolerable number of regulations and miscellaneous orders will not escape congressional attention. There are 1,200 of these in all including 474 price regulations in addition to Gen. Max.; 443 special orders;

105 price schedules; 85 miscellaneous price orders; 53 general regulations; 32 temporary regulations; 15 supplementary regulations and 13 procedural regulations.

It is most likely too late to correct the most basic mistake in our price control policy. From the very beginning,

retailers and wholesalers have insisted that only an overall freeze of the economy will bring real price control.

Advocates of the original legislation, allegedly on orders from above, considered it impolitic to freeze wages and agricultural prices. When it was made clear that price ceilings on goods and certain services would be the sole objective, business men, bowing to reality, did the best they could to help develop an order that would be practical.

If we were starting over today with the public knowing what it does about price control, it is doubtful if the so-called "orders from above" would hold. Neither labor nor agriculture could exert enough political pressure to make them stick. In fact, they would probably not be interested in doing so because they, too, have learned that only an overall freeze could have helped them.

Although in the renewal of the Price

**Another Reason for remembering
OHMER when you make your
plans for peace**



OHMER'S BEEN AT IT SINCE 1898!

OHMER registering equipment was first used on street cars at the turn of the century. Since 1898, Ohmer has become a leader in the manufacture of fare registers, taximeters and cash registers. Today, of course, engineering talent and precision production experience such as this is needed for supplying vital war material. But when—with the war won—you plan to modernize with new registering equipment, investigate the complete Ohmer line. See the exclusively Ohmer features that have been developed through almost 50 years of register specialization. Ohmer Register Company, Dayton 1, Ohio.

One of the many types and sizes of Ohmer Cash Registers now serving all lines of retail business today.



OHMER

CASH REGISTERS for every type of retail store
FARE REGISTERS and TAXIMETERS for transportation
TOOL CONTROL REGISTER SYSTEMS for industry

MANUFACTURERS OF REGISTERING
EQUIPMENT SINCE 1898

Control Act, this major error in policy will not be corrected, Congress will attempt to prevent OPA from continuing certain other policies and practices—for example, certain highly impractical and irritating features of MPR 330.

That order, among other things, included the automatic seasonal pricing formula by which OPA officially proclaimed that spring starts March 1 whether a store is in North Dakota or Miami, Fla., and that fall begins on July 1 in Butte, Mont., as well as in El Paso, Tex. It also froze retailers to the price lines they carried in the base period of March, 1942. It said, in effect, that if a manufacturer made only \$3.95 dresses in March, 1942, he would either continue to make dresses for that price or quit.

In issuing this regulation, OPA firmly believed it had frozen apparel manufacturers to the price ranges in which they operated in the base period. In practice, higher costs compelled manufacturers, since they could not legally pierce price ceilings, to forsake ranges in which ceiling squeezes were intolerable.

Large manufacturers discontinued their lower price lines and concentrated production on their higher price lines. Smaller manufacturers of single-price lines found it relatively easy to go out of business and reopen with a new line at higher prices. Many a buyer, visiting the wholesale market, found familiar faces at old addresses with a new firm name and a higher price line for sale.

Originally, MPR 330 limited one large

Practical Control

EFFECTIVE PRICE CONTROLS must be continued as long as the war disrupts production and distribution of goods and services. The Chamber membership supported price control legislation during World War I, and again in 1941 when it was inevitable that the conflict then spreading rapidly across Europe would engulf the United States.

As a result of two years of experience of business men with price controls, the Domestic Distribution Department Committee of the Chamber has proposed that the following program be laid before Congress:

- A. The Price Control Act should be extended for one year.
- B. To clarify uncertainties and conflicts in the administration of the Act, amendments should be sought:
 1. To make clear that OPA's primary function is to control prices, not profits.
 2. To make more precise the present provisions intended to prohibit OPA from bringing about, directly or indirectly, changes in established business practices.
 3. To provide more satisfactory protection for consumers and dealers suffering hardships by reason of the operations of price controls by permitting recourse to established courts of law.
 4. To continue in force provisions which prohibit OPA from prescribing compulsory government grade labeling provisions.
- C. At the wholesale and retail levels controls should allow merchants to add to the cost of merchandise their established mark-up.
- D. All price controls should recognize changes in labor and other costs.
- E. Industry committees should be relied upon to a greater extent in formulating price regulations.
- F. Local price and ration boards should have more authority to adjust price regulations to relieve hardships.

R. E. CAMPBELL,
President, Miller & Paine, Inc., Lincoln, Nebr., and
Chairman, Domestic Distribution Committee
U. S. Chamber of Commerce



FINGER-TIP CONTROL FOR SPEED FASTER THAN SOUND

When an Army Air Forces officer powered the Lockheed P-38 faster than the speed of sound (780 m.p.h.), he proved that the plane was appropriately named "*Lightning*".

Now Lockheed engineers have given "finger-tip control" to its fantastic speed by installing aileron boosters actuated by the revolutionary Hycon "Stratopower" hydraulic pump. The application of these boosters, made practical for the first time, turns the P-38 into a *dog-fighter which out-maneuvers many single-engined ships!* And the faster response of *all* control surfaces makes it a deadly fighter—even in the thin air eight miles up.

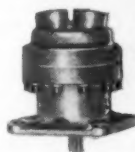
To help bring victory in 1944, we are increasing our output to the limit, and every Hycon "Stratopower" pump is reserved for our fighting planes.

LET'S ALL BACK THE ATTACK — BUY MORE WAR BONDS

At the war's end—for Tomorrow

Because of its compactness and phenomenally high pressure, furnishing *variable volume up to 3000 pounds per square inch*, the Hycon "Stratopower" pump will do a great many hydraulic jobs *better*.

Today there are available other Hycon pumps and valves in the 3000 pound range for commercial applications to control or actuate machine tools, giant presses, dump truck lifts, materials-handling mechanisms and remote control circuits. They will operate brakes, clutches and steering devices of heavy vehicles; test high-pressure apparatus, and solve a wide variety of other hydraulic problems. Write for full information.



HYCON ★ ★ ★
REGISTERED TRADE MARK
Stratopower Pump

Manufactured only by The New York Air Brake Company

THE NEW YORK AIR BRAKE COMPANY
Hydraulic Division

420 LEXINGTON AVENUE, NEW YORK 17, N. Y.

Year after year of
unsurpassed
performance

1944

1943

1942

1940

1930

1920

1910

1900

18



Peerless Pumps

TURBINE, HI-LIFT & HYDRO-FOIL TYPES
10 to 220,000 gallons per minute

Peerless Pump Division
Food Machinery Corp.

301 W. Ave. 26, Los Angeles 31, Calif.
1250 W. Camden Ave., S. W., Canton 6, Ohio
OTHER FACTORIES: San Jose 5, and Fresno 16, Calif.

chain store organization to a top price of \$2.98 on children's dresses. The company could find little merchandise available at the price, and what it did find was of such poor quality its customers would not buy. A price range ceiling of \$6.90 forced the same company out of the children's legging-set business, and a limit of \$14.75 forced it out of the women's suit business.

A small town retailer, who found himself starving for merchandise because of MPR 330, received a letter from OPA, which said in part:

"If no limit were placed on the price range within which a retailer could trade, there would be no restraint on stores following up prices as far as they went." It is not hard to understand the irritation of the retailer who received that letter. Unable to find goods in the price ranges to which he was frozen, he had to watch customers travel to the next town, where they could buy what he was not permitted to sell, in stores which had a wider range of prices.

Nor could he get much comfort from OPA's advice that "most retailers have been able to make adjustment to the regulation since they have ceased to carry merchandise at their former lowest price lines but have been doing a larger proportion of their business in the upper level of their range, on which profits are larger."

As material costs and wages rose through 1942 and '43, it was inevitable that either ceilings would be pierced or values would deteriorate. Every housewife can testify to a deterioration in quality of merchandise. Between Christmas, 1943, and January 15, 1944, the American Home Economics Association made a survey which resulted in an exhibit in Washington of "sleazy, high priced yard goods and unsatisfactory articles of clothing," together with such items as a pair of infants' shoes at \$2.98, which wore out in a week, and slips at \$2.25 that wore one-fifth of their normal life.

Actual effect on prices

PRACTICAL business men smarted under this regulation because they realized that it was not holding down the price of living.

Typical of these men is Reagan P. Connally, president of the Interstate Department Stores, and a director of OPA's Consumer Goods Price Division until he found it impossible to get the organization to adopt a realistic technique of price control.

Mr. Connally explains that the cost of living can frequently be lowered by increasing the price of the low cost item. If price ceilings force a manufacturer who once made dresses for \$5 and \$10 to discontinue the \$5 line, his customer must pay \$10 or do without. A more lenient control might have permitted manufacture of the former \$5 dress for \$6—thus saving the consumer \$4.

"Affording the manufacturer a profit on low-end as well as upper price merchandise," Mr. Connally points out, "encourages him to make both."

Congress will be interested in getting rid of the kind of thinking which led first to policies of which price line freezing is an example, and second to the attitude of mind toward distributors which kept that limitation in force against intelligent and practical criticism.

Another *cause célèbre* of OPA was MPR 339, the order which included the so-called grade labeling requirements on women's rayon hosiery. Earl Constantine, president of the National Association of Hosiery Manufacturers, told a House Committee in Washington on May 25, 1943:

"The issue before us is not one of price control, but rather the manner and limits within which it shall be achieved in keeping with the provisions and the intent of the Emergency Price Control Act that no attempt should be made to change business practices."

Mr. Constantine warned:

"The path of OPA is bound to continue to be rocky and difficult as long as it retains in responsible positions persons who maintain an ignorant prejudice against business and who utilize wartime emergency powers as a vehicle to establish their concepts of what should be the methods of business as developed in textbooks rather than in the practical realities of life."

OPA gets down to business

THE general house cleaning which Mr. Constantine fervently hoped would result from the hearing at which he testified, followed when Mr. Bowles took over the reins and purged the academicians and fledgling lawyers from the OPA pay rolls. Many, it is true, found their way to other government pay rolls, but the OPA was rid of them. In their place Mr. Bowles methodically appointed tried and tested business executives, who were more interested in combating inflation than in sociological experiments.

Still another major policy of OPA deserves the attention of congressional critics who believe that price control can be made to work without changing the basic economic system. That policy is the belief exemplified in MPR 308 that retailers could be classified by size or type and required to abide by varying price ceilings.

At once denounced as a discriminatory order, MPR 308 failed to recognize that many retailers buy goods at the same prices regardless of their classification. Originally, a 12 per cent lower ceiling was set for chains, but this subsequently was revised. The OPA's classification of wholesalers' customers was said to have been intended to freeze larger retail operators to their loss leader prices. Some of these companies, it was stated, sold certain items at a ten per cent markup for advertising and goodwill purposes. The classification of wholesalers' customers also failed to distinguish between service and non-service stores.

The case against customer classification was summarized in a resolution adopted January 20, 1944, by the Wholesale Dry Goods Institute:

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"Whereas the OPA has followed the practice of placing retailers in different classes and stipulating different buying prices and selling prices for the different retail groups so classified . . . be it resolved that the Board of Directors of the Wholesale Dry Goods Institute be instructed to prepare and transmit to the OPA a suitably worded request that in all future orders the same ceiling prices shall be named for all retailers in order that favoritism and discrimination shall be eliminated from all OPA price regulations."

In the food field, criticism of OPA chiefly derives from the losses of some crops that resulted from the agency's tardiness in adjusting prices to meet the needs of growers. The food chains at first doubted their ability to carry on with an 18 per cent gross margin, but their ingenuity and resourcefulness pointed the way, and Herculean feats of economy were performed. Food rationing added considerably to their operating costs and problems, but they took that in stride, too. One of the larger chains spent \$35,000 last year on coupon handling alone.

Trouble coming for war shoes

THE shoe industry also felt the heavy hand of rationing, but it managed to emerge from its first year of business done on a coupon basis relatively unscathed. Its chief worry now is that many failures will stud the road back to unrationed trading if OPA does not release victory or wartime types of shoes first from its rationing restrictions.

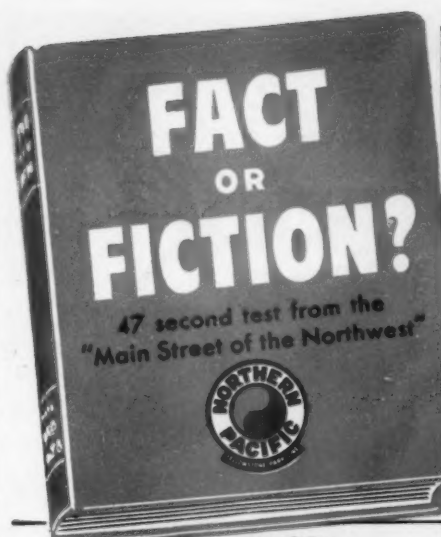
In the furniture business, OPA permitted five per cent increases in manufacturers' prices, but denied similar adjustments in retailers' prices. This allowance was extended to manufacturers of nursery furniture as well. The retailers, supposedly, were to "subsidize" these price increases granted to suppliers, but neither OPA nor anyone else has suggested how it is to be done. By bringing out "new items," manufacturers have been known to subject retailers to an even tighter squeeze.

Eventually, it is hoped, OPA will recognize there must be a valid relationship between what a merchant pays for his goods and what he sells them for, and will content itself with regulating prices and leave to Congress the task of regulating taxes. Depriving the retailer of fair mark-up constitutes a tax, and a confiscatory one, at that.

Few people among the public generally, and few in Congress, believe OPA has frozen prices in terms of dollar purchasing value, yet most will concede the agency has been a hobble on inflation.

Almost everyone believes that Chester Bowles has made a promising beginning in creating order out of OPA disorder. All things considered, the constructive thing to do is to renew the Price Control Act, give Mr. Bowles due credit for his progress so far and set up more precise directives to prevent such basic mistakes as have been made in the past.

OPA is too big, business is too vast, to depend on one man's improvisation of policy. Successful as he may be, Mr.



Q. U. S. sleepers rest on rails but English rails rest on sleepers. Fact or fiction?

A. Fact. Sleeper is English name for tie to which rails are spiked. The Northern Pacific Railway roadbed was improved with 2½ million new ties in 1942-3.



Q. 1943 aluminum output of Pacific Northwest hydro-electric plants will be used to make 340 million pans. Fact or fiction?

A. Fiction. Entire 1943 output will go to war. About half came from new plants on Northern Pacific Railway.



Q. Old plows from the Northwest are being dropped on Jap war ships. Fact or fiction?

A. Fact. They've been made into bombs. In 1942-3, Northwest shipped 400,000 tons of scrap metal for munitions via Northern Pacific Railway.



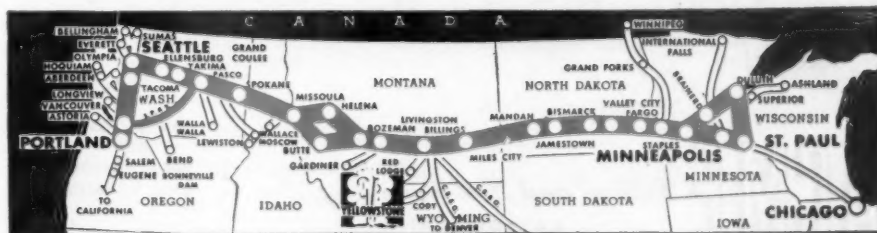
Q. Exports cut off by war, Dutch grind tulip bulbs into flour for bread. Fact or fiction?

A. Fact. But U. S. faces no critical flower bulb shortage. Washington, Oregon growers shipped 4 million pounds in 1943 via the Northern Pacific Railway.



Q. Northern Pacific Railway opened the Northwest to settlement. Fact or fiction?

A. Fact. That's one reason it now links more of the Northwest's important population centers—is known as "Main Street of the Northwest".



NORTHERN PACIFIC
MAIN STREET OF THE NORTHWEST



minutes...

VITAL IN WAR ... VALUABLE IN PEACE

NO postwar job will ever compare with the urgency of wartime production. For while the war is on, a minute saved may mean a life saved, too.

Yet minutes will still be valuable when peace returns. To save a minute is always to cut a cost. And it is the low-cost producer who will be most successful in the competitive postwar field.

Acme can save you minutes—wartime minutes and peacetime minutes as well. If you need new dies, patterns, heat-treated aluminum castings, Acme can supply them. Should your present or postwar production require special tools, Acme can both design and build them.

Acme consulting engineers have helped many a wartime producer to conquer production line problems. These same engineers will be equally helpful during the critical transition from war to peace.

Preliminary recommendations submitted without obligation.

ACME *Pattern and Tool Company, Inc.*
DAYTON, OHIO

FOR VICTORY
BUY
WAR BONDS
AND STAMPS



HEAT-TREATED ALUMINUM CASTINGS ... PATTERNS ... TOOLS ...
TOOL DESIGNING ... PRODUCTION PROCESSING

Bowles still needs the salutary curbs of a carefully written law, not only for himself, but for subordinates.

In retrospect, it seems evident that, if OPA from its inception had worked more closely with business, more practical and effective price control would have been obtained.

WPB, which immediately adopted the philosophy of working with business, set up procedures for business cooperation and invited industry groups to take part in policy-making, has found business men willing to subordinate their interests to those of the nation's economy.

It is apparent, too, that, whatever success price control has attained may be credited to the cooperation of business which voluntarily complied with regulations which could not otherwise have been enforced. Business has demonstrated its willingness to forego its present rights to assure a postwar world of free enterprise, limitless opportunity and the perpetuation of the democratic way of life.



Saves Backs

This new plywood packboard permits easier carrying of awkward loads. Designed by Hugh Johnson, peacetime architect and now a Quartermaster technologist, it is being used by the Infantry, Medical Corps, Signal Corps and Engineers for moving machine and mortar parts, ammunition, radios, coils of wire, etc., beyond points where wheeled vehicles can go.

The board weighs only four pounds. It is made of plywood with synthetic resin glue under heat and pressure.

The sides are turned in toward the carrier forming a recess about two inches deep. Across this recess, canvas is stretched and lashed to the edges. The canvas cushions the load. Between the canvas and the board, there is space for a 30-foot coil of rope.



Have you tapped this great source of
MACHINE POWER?

Machine Power Can Increase the Man Power and Woman Power in your Accounting Department

Increasing man power and woman power—per hour—is simply a matter of saving seconds in performing every accounting operation.

There are machines in the lines of the Underwood Elliott Fisher Company which can save those precious seconds for you on every one of your accounting operations.

Speed, simplicity and accuracy, and at the lowest possible cost, are the basic advantages which you gain through the use of Underwood, Elliott Fisher, and Sundstrand Accounting Machines.

In meeting any problem, Underwood Elliott Fisher representatives are not confined to inflexible methods; nor

are they restricted to the adaptations of only one type of equipment.

With a variety of models and features in each line, Underwood Elliott Fisher provides a *flexible choice*—unique in the accounting machine field—each model in day-to-day service in many thousands of organizations throughout the world.

Your forms may be large or small; printed on paper or card stock; prepared in original only, or with copies that are alike or different in size or shape.

Your records may require writing only, without computing; computing, with or without typed descriptions; addi-

tion, subtraction and individual totals of amounts entered in any number of columns from one to thirty, with or without simultaneous cross-computation of one, two or more balances.

Whatever your individual requirements may be, Underwood Elliott Fisher has both the method and the equipment with which to speed your production and lower your accounting costs—the *best* method and the *right* equipment.

A call to your local Underwood Elliott Fisher office will bring you, without obligation, interesting information on how Underwood Elliott Fisher *machine power* can materially increase the production of your present *man power* and *woman power*.

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Underwood Elliott Fisher Accounting Machines are available, subject to War Production Board authorization.



Our factory at Bridgeport, Connecticut, proudly flies the Army-Navy "E," awarded for the production of precision instruments calling for skill and craftsmanship of the highest order...

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ANY AIR EXPRESS shipment that's packaged, labeled and ready to go **A...SHOULD GO!** Don't let it sit! Call AIR EXPRESS right away...instead of waiting for "routine" afternoon pick-ups. Your shipment thus avoids end-of-the-day congestion when Airline traffic is at its peak. That's the secret of getting fastest delivery! **SHIP WHEN READY!**

And to cut costs—AIR EXPRESS shipments should be *packed compactly* but securely, to obtain the best ratio of size to weight.



A Money-Saving, High-Speed Tool For Every Business

As a result of increased efficiency developed to meet wartime demands, rates have recently been reduced. Shippers nationwide are now saving an average of more than 10% on Air Express charges. And Air Express schedules are based on "hours", not days and weeks—with 3-mile-a-minute service direct to hundreds of U. S. cities and scores of foreign countries.

WRITE TODAY for "Vision Unlimited"—an informative booklet that will stimulate the thinking of every executive. Dept. PR-4, Railway Express Agency, 230 Park Avenue, New York 17, N. Y.

AIR EXPRESS

AIR EXPRESS
*Gets there **FIRST***

Phone RAILWAY EXPRESS AGENCY, AIR EXPRESS DIVISION
Representing the AIRLINES of the United States

Teaching Credit New Tricks

(Continued from page 34)

Thus, although the public terminal "Fidelity Warehouse" may be chuck-full of furniture, its owners, by engaging in field warehousing, will be able to expand their warehousing activities and income with no more additional equipment than a lock and key. And in expanding its operations, it need not be restricted to any one customary type of merchandise. The Fidelity Warehouse may take over the custody, "in the field," of canned food, coal, seeds, drugs, tires, books, wines, or any of a host of commodities.

Setting up a warehouse

IN ESTABLISHING a field warehouse, Fidelity acts under the state statutes governing public warehouses and public warehouse receipts. Under the Uniform Warehouse Receipts Act, which all but two states now have adopted in substance, no distinction is drawn between field warehouses and public warehouses.

Fidelity makes a field warehousing arrangement with, say, the National Shoe Company. That company leases to Fidelity Warehouse a part of its premises, half of a loft in its factory. Fidelity next obtains a license to operate such quarters as a warehouse. Fidelity then establishes the physical conditions necessary to limit access to only its own employees.

The "warehouse" space is then posted with signs indicating its nature, a custodian or storekeeper is appointed, the shoe company puts a quantity of shoes in the warehouse in exchange for a warehouse receipt issued by the custodian, and the field warehouse is launched.



"Quit stalling! Should I offer to renegotiate—or just sit tight?"



MAN and GENIE

Is there so much difference, after all, between many of yesterday's legends and today's realities? Between Aladdin's wonderful lamp and an electrical push-button?

Take an electric hoist, for example. Here's the invisible power to raise giant loads swiftly and quietly...to whisk them through the air to any desired point...to set them down gently and safely. Yet, it takes no more human effort than the mere pressing of buttons.

As perfected for all kinds of industrial applications, modern "thru-the-air" materials handling is a very real and important part of mass production. It speeds operations. It cuts manufacturing costs.

It relieves fatigue. It allows skilled workmen to accomplish more. And it makes man-power go further.

Whether it's cotton or steel...whether loads must be moved 5 or 500 feet... P&H hoist engineers are ready to help you apply "thru-the-air" handling methods in your plant—to speed production now, and insure lower costs for years to come.

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Overhead Cranes • Electric Hoists
Excavators • Welding Positioners
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You Can't Outsmart Inflation

By JAMES L. WICK

DON'T fool yourself. You can't hedge against inflation. The only sensible thing to do is to join in combating it

DURING the great inflation in Germany, an American was eating in one of Berlin's finest restaurants. He tossed a tip on the table. The waiter said: "Last week I bought this restaurant for what seemed to be an outrageous price. Today your little tip will pay for it. Thank you, Mein Herr."

Tens of thousands in this country, who have heard that "rags-to-riches" story, secretly hope a similar inflation comes here. They, too, would like to get



If you buy stocks, price-freezing orders may bring you losses

rich overnight. If they were sure it was coming, their program would be to go heavily into debt. They would buy real estate on mortgage. They would buy common stocks, with emphasis on corporations having the heaviest debt. The businesses they manage would plunge on inventories, buy machinery and construct buildings on long-term bonds.

This "easy road to fortune" is based on the assumption that, when inflation starts, it will take a straight skyward course and quickly reach the peak and the pay-off. Then you're in the clear, owning immensely valuable property or stocks.

But those who hold this naive belief have not studied the history of explosive inflations, or reasoned what would happen in America once the public began to fear that this country was headed for a repetition of the German experience.

German inflation reached its climax in 1923 when 103,199,100 marks were worth one gold mark.

French inflation went on until 1926 when Poincare devaluated the franc by 80 per cent.

Certainly those circumstances look

like a "speculators' paradise" yet most of the speculators ended bankrupt. Hugo Stinnes, a lesser figure in German industry before inflation, made one lucky gamble after another until he was acclaimed the richest man in the world. For a few weeks, he probably was. Then bankruptcy and oblivion.

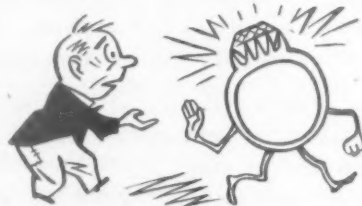
Explosive inflation, the kind that struck Germany and France, is a series of industrial 1929's, one right after another. You've heard about the peaks; you've never been told about the alternating crashes. Periods of terrible unemployment during a great inflationary boom!

First problem inflation brings to business is working capital. Banks quit lending dollars that in 90 days may be worth only 50 cents; yet higher wages, raw materials and other costs, may necessitate twice the normal working capital. Many old-established German houses, cut off from their sources of working capital, were ruined.

Industry's second problem is whether to continue selling goods at all. In Germany, some firms were fooled by their rapidly growing volume and thought they were making immense profits.

In future inflations, most firms, recognizing the shrinking value of money, would prefer to close down altogether. But it is possible for a firm to do that only if it has enough cash to "sit out the inflation," to pay its taxes, principal and interest payments, and fixed overhead.

Even if it could, however, a firm is not eager to release its labor force whose precision, skill and ability to work together result in economical production. Nor is it willing to sacrifice the good



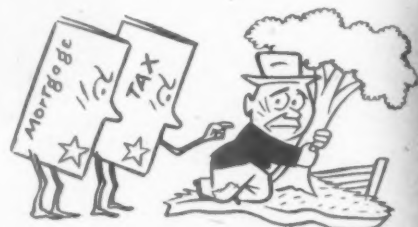
If you buy jewels, you may lose both coming and going

will, built up over many decades, of customers now clamoring for goods. Consequently, it must go on manufacturing and selling, but it holds down the necessary loss by cutting off "poor pays," rationing the remainder, and in general, putting obstacles in the way of buying.

These are the difficulties of firms in strong cash positions. Companies with heavy obligations simply go into receivership.

If inflation does come, the public will not take it lying down. Angry mobs, unable to meet rising cost of living, will cry for action.

The Government will then take action, perhaps (because it is easy to do) by issuing directives freezing prices. This



If you buy land, payments and capital gains tax may get you

will prove futile, because the Government will be trying to police final prices to the public instead of attacking causes. Black markets will then corner the supply; law violators will get any price, while the honest go broke.

Let us assume that you "see inflation coming"—and are thinking of taking one of the much-touted hedges against it.

Here's what is likely to happen:

If you buy common stock—Say you buy stock in John Doe & Company; you admire its conservative management. The firm will suffer heavy paper losses in the early stages of inflation by continuing its normal policy of "buying raw materials on a current basis." Finally, deciding to "get in tune with the times," Mr. Doe will begin building up his inventories. He has just accepted delivery of huge orders when—smack!—the Government freezes prices of raw materials and finished products as of three months before!

Inventory losses alone can cripple John Doe & Company, as they crippled or wrecked many a German firm which bought ahead—at just the wrong moment.

John Doe & Company then appeals to the Price Authority but the director, under pressure from an enraged public, orders it to sell at government-fixed prices, whatever the cost. OPA's occasional arbitrary price rulings of the war period are mild in comparison with the injustices which can be expected under explosive inflation.

If you buy copper stocks—Raw ma-



Exciting things are happening IN TEXAS AND LOUISIANA along our Sunset route

It was in 1883 that the last spike was driven in our Sunset route, the nation's second transcontinental railroad (the first was our Overland route).

During that epic era—as nowadays—great events were shaping along this pioneer rail line.

The Sunset route provided the first direct rail connection between Pacific Coast cities and the Gulf of Mexico at New Orleans. Today, by means of this historic route, Southern Pacific lines in Texas and Louisiana link the new industrial South and Southwest with all the new industrial West...

Rich in natural resources, Texas and Louisiana have experienced remarkable industrial growth in recent years. And war's demands are speeding this development.

Along the Gulf Coast bordering both states shipyards launch vessels of every type.

In both states, too, petroleum is a leading resource, and its refining a leading industry. Huge new synthetic rubber plants utilizing petroleum products are located at several Gulf Coast points. And in the interior factories are being readied to convert the crude synthetic rubber into finished products.

Great chemical industries have arisen, chiefly in the tidewater territory. These industries are soundly based on abundant mineral resources, including sulphur and salt, as well as forest and farm products,

now transmuted by industry's magic into an amazing variety of useful products.

As an outgrowth of Louisiana's sugar industry, wallboard and building materials are made from sugar cane. Glycerine is obtained from cottonseed. Plastics from soy beans. Starch and glue from sweet potatoes.

Texas has a growing number of new iron and steel plants, which use Texas iron ore. Here is the nation's first tin smelter... also the world's largest plant for production of magnesium from sea water.

In both states paper is made from pine logs, and far-stretching forests stand behind manufacturers of furniture and building materials. Plane plants operate round the clock.

Vegetables and seafoods are packed here in huge volume. Cotton production keeps thousands of spindles turning. From the "Magic Valley of the Rio Grande" in southern Texas come millions of cans of citrus fruit juices. Texas Panhandle wheat and other cereals are processed by Texas mills.

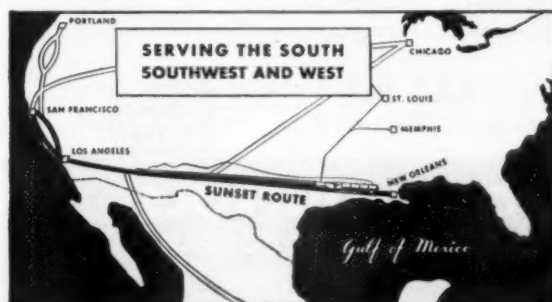
In this industrial growth of Texas and Louisiana at one end of our Sunset route, and of the Pacific Coast states at the other, good railroad transportation has had its part to play.

Through the years, the western and southern railroads have sought to develop manufacturing along their lines, for new industries are a major source of added traffic.

For this purpose we have long maintained an industrial department. And this is the reason Southern Pacific and other roads have made freight rates that aid the industries we serve to assemble raw materials and market finished products.

We look to the permanence of these industrial developments along our lines as a factor in our railroad's postwar progress. Southern Pacific will do its best to help hold industrial gains and encourage further expansion throughout the territories we serve.

A. T. MERCIER, President



S·P
The friendly
Southern Pacific

One of America's railroads—
ALL united for Victory!

Observe These
New Postal Rates
Now in Effect

Illustration shows COMMERCIAL CONTROLS Postal Scale

SAVE time for overburdened post offices and avoid confusion by giving your mailroom personnel these new Postal Rates, effective March 26.

- **FIRST CLASS LOCAL MAIL**—Old rate of 2c per ounce increased to 3c.
- **AIR MAIL**—Old rate of 6c per ounce increased to 8c. (Rate to and from overseas members of the Armed Forces is unchanged.)
- **PARCEL POST AND OTHER FOURTH CLASS MAIL**—Old rates increased 3%, or 1c, whichever is greater.
- **MONEY ORDERS, C.O.D., REGISTERED and INSURED MAIL**—Fees increased.

COMPLETE RATE CHART AVAILABLE

A detailed schedule of new rates, suitable for your mailroom wall, is available without charge—phone our nearest office or write us direct.

It is important that your mailroom gets this new information—also that your postal and parcel post scales have corrected charts—for the mailroom is “the heart of every office” upon which all departments depend.

Plan now for an up-to-date, post-war mailroom with modern, mail-handling equipment—a COMMERCIAL CONTROLS specialist will help you.

Attend the Annual Conference of the National Office Management Association, June 5, 6 and 7, New York, N. Y.



COMMERCIAL CONTROLS

Division of NATIONAL POSTAL METER COMPANY, INC.

Rochester 2, N. Y.—Branches and Agencies in Principal Cities

terial companies, at least, cannot hurt, you reason. But the price-freezing order taking place after a big wage increase will bring losses so big as to shake the company's foundations.

If you buy gold stocks—Certainly gold will profit from “the flight from paper.” But the Government, driven by public clamor to plug every leak, will also freeze price of gold. Many gold producers will have wage bills and mortgage payments to meet. Some of them will crack up, too.

If you buy precious stones—The seller makes a commission. After the inflation spree, when you want to convert your investment into cash, the buyer will make his normal profit. Moreover, you bought when thousands of others had the same idea and you sell when they too, want to get rid of hoarded jewels. You lose coming and going. You will do well to get 40 per cent to 50 per cent of the purchasing power you originally invested.

If you buy land—Here, you say, “the best inflation hedge of all.” If you are like most land-hedgers, you are a city resident. Farmers have been holding back on buying land, partly because they cannot get farm help, partly because of painful memories of the 1921 crash in farm values. But city folks think one piece of land is about the same as another. Poor land has had a mammoth rise; better land, only a moderate increase.

Mortgages and taxes

IF YOUR land purchase is on mortgage, you may be forced to sell prematurely either to meet the next installment or to get the additional working capital required by your business. If your land selection is bad, you may lose. If your land is good enough for you to sell at a big profit, you may run into a 90 per cent capital gains tax (recently recommended by Secretary of Agriculture Wickard).

Because of politics, the first measures against inflation will doubtless attack the *symptoms* (rising prices) rather than the *causes* (excessive supply of liquid assets—currency, savings, and war bonds convertible on demand into cash).

Curbs on business, such as price controls, are imposed under the guise of “protecting innocent consumers against gouging merchants and manufacturers.”

Only after these attempts have failed is it likely to be politically feasible to adopt direct action—government requisitioning of all liquid assets.

All currency then will be recalled, as was gold in 1933, and a new currency of limited amount issued—the only legal tender after a certain date. Persons with “excessive” quantities of money will be compelled to take part in long-term government bonds.

Savings accounts and war bonds will perhaps be frozen, then made convertible only over a long term of years. The interest rate will be arbitrarily reduced or even eliminated. (A palatable form of capital levy.)

There are still bunkers ahead. Recall

LET'S ALL BACK THE ATTACK
BUY WAR BONDS

Destruction of the Ploesti Oil Fields

More than 1,500 officers and enlisted men representing all states in the Union took part in the Ploesti raid, which knocked out 42% of Rumanian oil refining capacity. Two participants in this action received the Congressional Medal of Honor, and 50 received the Distinguished Service Cross or Oak Leaf Clusters for that medal.

They've got a lot more coming than Medals

THEY came in at 250 feet, bombs set for delayed action lest the blast rip the tails off their chimney-skimming Liberators...

They came out so low that when they got home, some of their bomb bay doors still carried wisps of hay picked up in passing...

But behind them, fire-cored pillars of smoke said that Ploesti once-vital source of enemy oil and fuel, had been ruined. That was what they had set out to do.

The medals waiting for them are the least these men of our

Air Forces have coming to them.

They deserve more than our cheers, our praise, the gratitude of a nation; they deserve also the very best we can give them to work with.

That is why Buick engineers have pooled their brains, sharpened their wits, whetted still keener their well-tempered minds.

That's why Buick people—nearly tripled in numbers over any previous peacetime peak—have been taught new

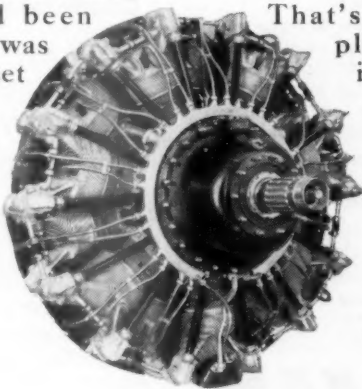
skills, schooled in fresh exactness, given new standards of meticulous precision in their work.

We know that every shining Pratt & Whitney aircraft engine that rolls from our plant marches straight to its place in a brand-new Liberator bomber.

We never know when any bomber or any engine may be chosen to help strike a blow as crucial as over Ploesti.

So we build every one to measure up in character and faithfulness to the men who will look to them to carry them through.

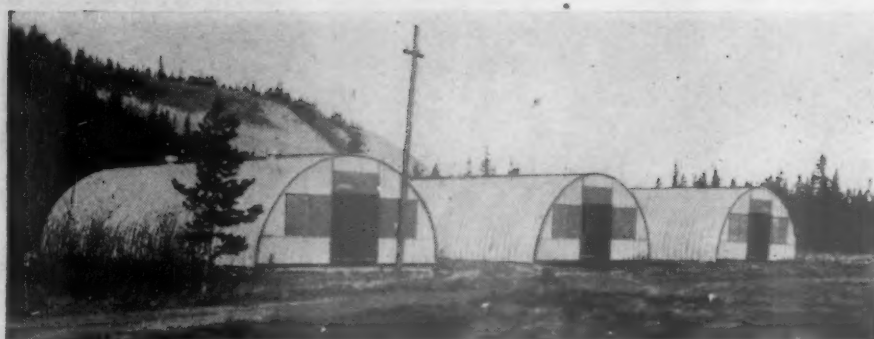
We aim to give that bunch the very best there is.



**BUICK
POWERS
THE LIBERATOR**

BUICK DIVISION OF GENERAL MOTORS

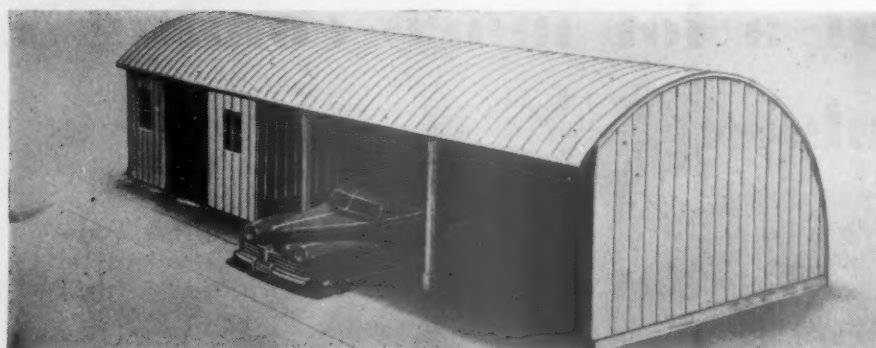
Every Sunday Afternoon — GENERAL MOTORS SYMPHONY OF THE AIR — NBC Network



TODAY...THEY HOUSE OUR ARMED FORCES AROUND THE GLOBE



By now these three Butler Military Huts are buried deep under Alaskan snows. Engineered into their lightweight steel construction is the strength to carry snow loads or earth embankments for protection against bomb explosions. Carrying a highly efficient lining of insulation, Butler Huts afford comfortable living quarters for our armed forces in the frigid north, in torrid Africa, or in the humid heat of the Southwest Pacific.



TOMORROW...Butler Engineers will fit them to Peacetime Needs



While producing for war, Butler engineers have planned for peace. Already the Butler Hut has been redesigned to serve many peacetime needs such as the multiple garage above for industrial plant and other parking lots. Another adaptation is freight depot for truck transport lines shown directly above.

Ready adaptability, for twenty-five years

an outstanding characteristic of Butler-Built Steel Buildings, has now been developed to the "nth" degree. From vast production for lend lease, war plant and direct military use, is emerging a unique, rigid frame structure which eliminates roof trussing entirely.

Although wartime production in three great Butler factories has shot total sales volume well beyond the \$100,000,000.00 mark, Butler engineers stand ready to plan with you on your postwar building needs and on current needs to the limit permitted by war conditions.

For prompt handling, address all inquiries to: 1240 Eastern Ave., Kansas City 3, Mo., or 940 Sixth Ave. S. E., Minneapolis 14, Minn.



BUTLER MANUFACTURING COMPANY
Galesburg, Ill. KANSAS CITY 3, MO. Minneapolis 14, Minn.

Sales Offices — Washington, Chicago, Atlanta and Shreveport
Export Office — 8 So. Michigan, Chicago

PRODUCING FOR WAR...

PLANNING FOR PEACE

BUTLER BUILT

★ ★ ★ STEEL PRODUCTS ★ ★ ★

STEEL BUILDINGS...TANKS (Storage, Processing and Transport)...FILTERS
STILLS...DRY CLEANING EQUIPMENT...RURAL GAS SYSTEMS...SEPTIC TANKS
GRAIN BINS...FARM EQUIPMENT and PRODUCTS OF OTHER METALS

that, to hedge against inflation, large numbers of persons were exchanging cash for land, common stocks, raw materials, precious stones—some on credit, gambling for an extra profit.

Inflation hedges will crash

THE unnatural demand suddenly ends. Universal desire now is for cash, an unusually scarce article since the "freeze." Everybody wants to sell. Down crash all inflation hedges! This new storm must be faced before the country can start down the long tough road to stability.

Point is, your chances of "making a killing" out of inflation are negligible. None of us can predict the fits and jerks of its course.

Above all, no one can predict the unreasonable reactions of a harried government.

Of all the thousands who engaged in feverish speculation during the German inflation, only a few were lucky. Making a fortune during such a spree is difficult.

But you say, you don't expect to make a profit out of inflation. You merely want to save what you have. Then follow the advice of Dr. Ivan Wright, distinguished authority on this subject: Do not go into debt.

Quite the contrary. Your personal and business policy should be to get out of debt—and hope to ride out the storm. If you buy stocks, pick companies which are out of debt. If you buy real estate, pay in full.

Inflation benefits no class except those who hope for violent revolution. Inflation injures seriously the most conservative sector of our population, those who have retired on savings or pensions or life insurance.

Inflation destroys the great middle class, the bulwark of a capitalistic economy.

The universal feeling of futility and rage generated by inflation is fertile soil for reckless demagogues; the more inflammatory their attacks upon the existing order, the more fantastic their promises of a new order, the more followers they attract.

Cooperate to fight inflation

SO BACK all sane efforts to combat inflation.

Demand taxes not merely on upper-income brackets, but also on classes receiving 80 per cent of the potentially dangerous purchasing power.

Resist selfish campaigns of pressure blocs—including your own—who want "a ceiling on everybody but themselves."

Forestall pyramiding of private debt which follows the notion that inflation can be outwitted by going into debt to buy goods or securities. Encourage the opposite course—getting out of debt.

Support moves to curb government extravagance.

Keep in mind that the most complex problems of inflation will come after the armistice rather than before.

Victory over the Axis will prove only half a victory if we lose the war against inflation.

Wartime Report of the Pennsylvania Railroad

SUMMARY OF 97th ANNUAL REPORT which was mailed to stockholders at the end of February. Operating revenues increased \$141,298,532 over 1942. Operating expenses increased \$109,369,984. Taxes increased \$55,826,689, or 44.8% over the previous year. Net income was \$85,418,484, a decrease of \$16,050,309.

THE YEAR 1943

The war continued to dominate the ever increasing transportation effort. While performance was highly satisfactory from the standpoint of meeting every demand of the war emergency, it could not of necessity be wholly adequate from the standpoint of the character of the service performed, particularly the passenger service. Nevertheless, considering the abnormal conditions that prevailed throughout the year, the results as a whole can be viewed as a creditable achievement.

THE NATIONAL EMERGENCY

The ability of the railroads to handle this record volume of traffic was due to further improvements in facilities and operating methods; to splendid cooperation between the railroads, the shippers and employees, the Army and Navy, and other agencies of Government, and to the continued helpful attitude of the Office of Defense Transportation.

TAXES

Sound public policy not only justifies but should require the accumulation by the railroads of large post-war reserves to meet post-war changes in transportation practices and methods, but the tax policy of the Government is heading

them along the same unfortunate path as at the close of the last war, when the railroads had to borrow large sums of money and go into debt to revamp their properties.

Today, while the railroads are doing the largest business in their history, it would be advantageous not only to them, but also to the public at large and to railroad employees as a whole, if the tax laws were amended so as to permit the creation now of the reserves needed for post-war rehabilitation, with resulting greater employment in the post-war period.

THE EMPLOYEES

The Board takes pleasure in acknowledging the continued efficiency and loyalty of the employees, which made possible the handling of a volume of traffic exceeding that of any year in the history of the Company.

44,448 employees of the System have entered the Armed Forces, serving in every part of the world, of whom 123 have made the supreme sacrifice.

Many thousands of new employees have had to be trained to take their places, including 21,730 women who are now in the railroad service.

Never were the demands upon the employees so great; never have they met the burden more efficiently and more courageously.

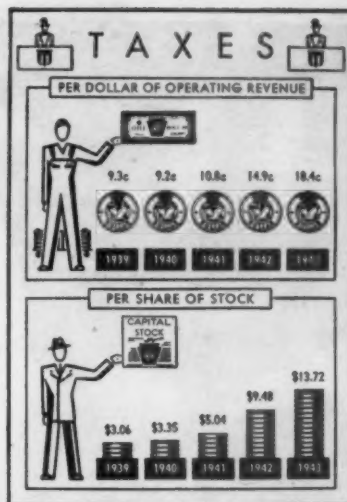
M. W. CLEMENT, President

OPERATING RESULTS

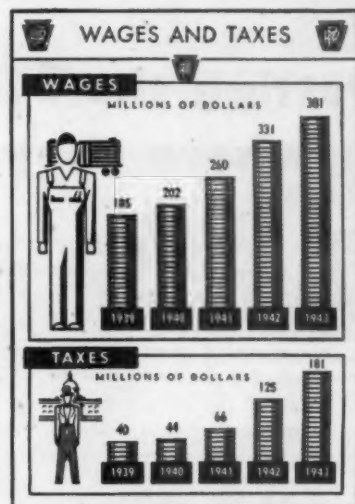
	1943	Comparison with 1942
Operating Revenues	\$979,773,155	I \$141,298,532
Operating Expenses	663,510,711	I 109,369,984
Net Revenue	316,262,444	I 31,928,548
Taxes	180,405,491	I 55,826,689
Railway Operating Income	135,856,953	D 23,898,141
Hire of Equipment and Joint Facility Rents	8,310,542	D 6,166,208
Net Railway Operating Income	127,546,411	D 17,731,933
Non-Operating Income, chiefly dividends and interest on securities owned	42,503,518	I 1,406,637
Gross Income	170,049,929	D 16,325,296
Fixed Charges, chiefly rentals paid to leased roads, and interest on the Company's debt	84,631,445	D 274,987
Net Income	85,418,484	D 16,050,309
Appropriations to Sinking and Other Funds, etc.	1,924,119	D 794,112
Retirement of matured Debt—Penna. R. R. Co.	17,311,000	D 13,069,000
(Does not include \$28,425,431 of matured debt of leased lines retired)		
Dividend of 5% (\$2.50 per share)	32,919,385	
Transferred to credit of Profit and Loss	33,263,980	D 2,187,197

THE PENNSYLVANIA RAILROAD
Serving the Nation

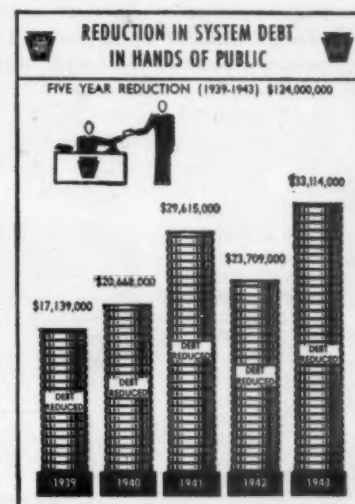
BUY UNITED STATES WAR BONDS AND STAMPS



Taken as a whole—taxes—the Company's chief burden, amounted to 18.4 cents out of each dollar of operating revenue, the equivalent of 27.4% upon the Capital Stock, or \$13.72 per share, an increase of \$4.24 per share over 1942.



Recent wage increases, together with vacations with pay, based on present force, are estimated to increase the expenses of the Company by approximately \$45,000,000 annually.



During the last five years, there has been a net reduction of \$124,000,000 in the debt of the System in the hands of the public.



Putting the **FACTS** where they belong

Too much is happening too fast for Management to risk being short of facts *at its fingertips*. What facts? Those that enable you to place *and keep* materials and parts inventories on an even keel—to direct job assignments for the best utilization of manpower—to avoid the pitfalls of Government contract termination—and be ready with a sales program geared to new marketing opportunities.

A big order? True . . . but well within the "Fact-Power" of Kardex Visible Record Systems of Administrative Control. With its exclusive Graph-A-Matic signal, the "seeing eye of business", Kardex is presenting current factual information in graphic form to leaders in every field of industry. Kardex reveals danger spots *before* trouble arises, pointing out the time and the place for administrative action. Kardex means the control that only facts-at-your-fingertips can provide. Operating economies are as high as 50%.

FOR EXECUTIVES: A remarkable new 74-page book featuring in color 136 case studies of "Fact-Power" at work . . . available on individual request from our nearest Branch Office. Ask for your copy of "Graph-A-Matic Management Control".



KARDEX—of course!

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**SYSTEMS DIVISION
REMINGTON RAND**

Buffalo 3, New York



Absenteeism

FORD foreman's score-board idea clicks in helping keep workers on the job

TO combat absenteeism at the River Rouge tire plant of the Ford Motor Company, O. J. Greenfield, electrical foreman, suggested the adoption of a day-to-day score-board, some down-to-earth posters, and a little common sense.

In his talks with other foremen about production problems and work methods relative to their respective departments, he noticed that the subject of absenteeism was conspicuous by its absence; so he advised the necessity of such discussion between foreman and worker. Then he erected a large board near the time clock and listed the names of all foremen, the number of employees supervised by each, and their daily absentee percentages.

Over the time clock he placed a poster which said: "If You're Not a Full-Time Worker, You're Just a Part-Time American."

The very first day the plan was put into operation, absenteeism dropped five per cent, and later dropped as much as 50 per cent in some departments.

Mr. Greenfield, in commenting on the success of his plan, said: "Most folks will listen to reason, and that is all we use. Employees are simply told the truth by their foreman—that even the simplest task in a war plant plays a vital part in the fight against the enemy. Threats are out."

One supervisor, duplicating the reports of many others, stated: "I have 68 employees in my department. Until recently an average of 20 failed to show up for work every day. Now it is five, and we hope to reduce that figure."

The tire plant is busily engaged in fabricating numerous subassemblies for Liberator bombers.

Mr. Greenfield has been a Ford employee for more than 23 years. His son is an American Ranger in New Caledonia. Too old to carry a rifle, Mr. Greenfield says, "But if selling bonds and helping cut down absenteeism will help get my boy and millions of others home a little sooner, I'll give all I've got, and am grateful for this privilege."

In a recent company drive he sold more than \$50,000 worth of war bonds.

—ROSE D. MEYER

"Water Buffalos" are buying beach-heads with less blood!

For the first time in the Pacific warfare, the Japs threw down their weapons and ran! "Water Buffalos,"* carrying our troops at Makin, came roaring over reefs and through the surf, climbed up over the beach barricades and charged straight at the Jap positions. "Water Buffalos" in constantly increasing numbers are buying enemy held beachheads with less American blood!

* Sometimes called "Amtracks"

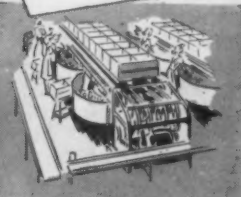
It took unusual skill and experience in designing, engineering and manufacturing to create vehicles that can travel and fight on land or water—one of the new war vehicles developed in World War II! Due to 59 years of successfully solving difficult engineering problems for the nation's food industry, Food Machinery Corporation had the necessary "know how."

FOOD MACHINERY CORPORATION

EXECUTIVE OFFICES: SAN JOSE, CALIF.; MANUFACTURING DIVISIONS: SAN JOSE, LOS ANGELES, RIVERSIDE AND FRESNO, CALIF.; DUNEDIN AND LAKELAND, FLORIDA; HOOPESTON, ILLINOIS; CANTON, OHIO; LANSING, MICHIGAN; HARLINGEN, TEXAS; NIAGARA SPRAYER & CHEMICAL CO., INC., MIDDLEPORT, N. Y.; JACKSONVILLE, FLORIDA; BURLINGTON, ONTARIO, CANADA



FMC
Weapons of War
and peace:



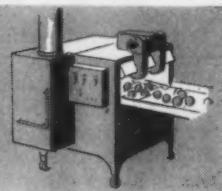
FMC Food Packing Equipment
... handles canned, frozen, dehydrated, fresh-packed foods.



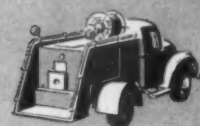
Peerless Pumps ... America's largest selling pumps for irrigating, municipal water systems.



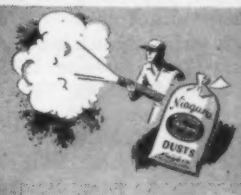
FMC Research Laboratories...
continually experiment to improve food handling methods.



Flavoresal Protective Process
... a wax film to keep produce fresh longer, reduce spoilage.



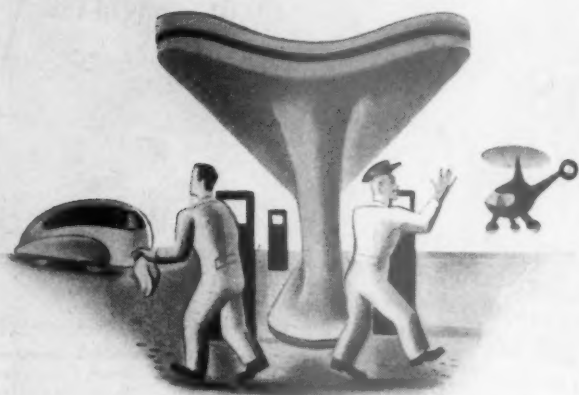
FMC Fog-Drive Fire Fighters,
using FMC's high-pressure Spray Pump (Bean) as a basis.



Niagara Insecticides for protecting nation's crops through insect and disease control.



Don't Let War Plants Scare You



Peace will bring demands for new, practical buildings for specific purposes

(Continued from page 27)

production will prove one of the most effective phases of the entire war effort.

Of the war plants built for permanency, some undoubtedly will remain in government control on curtailed production or on experiment and research. Only an extreme pacifist would argue that America will again convert all its swords into plowshares.

Some plants now on war production will, of course, turn to producing for the civilian economy. This is indicated particularly in the aluminum, magnesium and synthetic rubber industries. Yet, those industries were volume producers before the war only to a degree and what they produce for civilian use will be new production, superimposed on our prewar economy.

While there is controversy over the future of synthetic rubber in America, it would seem simple good sense to keep that industry active, and the labor of producing rubber in American workmen's hands, at least through the immediate postwar adjustment period.

Small competition in space

IT SEEMS likely, however, that the total amount of war-plant floor space likely to compete with the tremendous going production plant of America will be small.

Because of the dramatic emphasis on war plants, many people assume they comprise a much larger share of our total factory area than is actually the case. While exactly comparable figures are not available, the War Production Board, reporting on the distribution of government contracts for war supplies, industrial plant and equipment from June, 1940, to June, 1943, set the amount at \$14,515,000,000. This includes the cost of land, construction and equipment for industrial facilities.

The National Industrial Conference Board lists the national inventory of machinery, plant and other operating facilities in 1940 at \$52,800,000,000. This total does not include cost of land and

some related non-production facilities which are part of the \$14,515,000,000 government total.

It is obvious from these figures that government war plants thus amount to approximately 25 per cent of our going civilian production capacity. Economists say we must, and can, double our prewar production output, which implies a much greater increase in production facilities than 25 per cent.

Yet, even this 25 per cent embodies those plants of exclusive wartime utility, including some of the largest individual layouts in the emergency building

program. They are not adaptable to civilian production, will not be converted. Likewise, a large number of "five-year plants" must be deducted. So must those which will remain under government control.

What remains for possible civilian conversion is insignificant in relation to our total production plant.

As an offset to this small increase are those plants which were producing before the war but will not again build civilian goods because of obsolescence.

A sufficient answer to the entire question of the effect of war-plants on postwar manufacture, it seems to me, is the fact that practical industrialists are now ordering plans for new plants to be built as quickly as possible after the war ends.

In support of their judgment, based on their own individual company outlook, is the record of building generally. Building contract awards disclose that, in the '30's, construction of all types was only fractionally that of the '20's.

In 37 eastern states in 1928, the prewar peak year of building, construction in all categories—commercial, industrial, residential, public works, and utilities—totalled \$6,628,000,000. This was only slightly larger than in 1927, and was not again realized even in 1941 when

Built for specialized products, war plants can't be converted to civilian production



contracts already being let for war plants pushed the total to \$6,007,000,000.

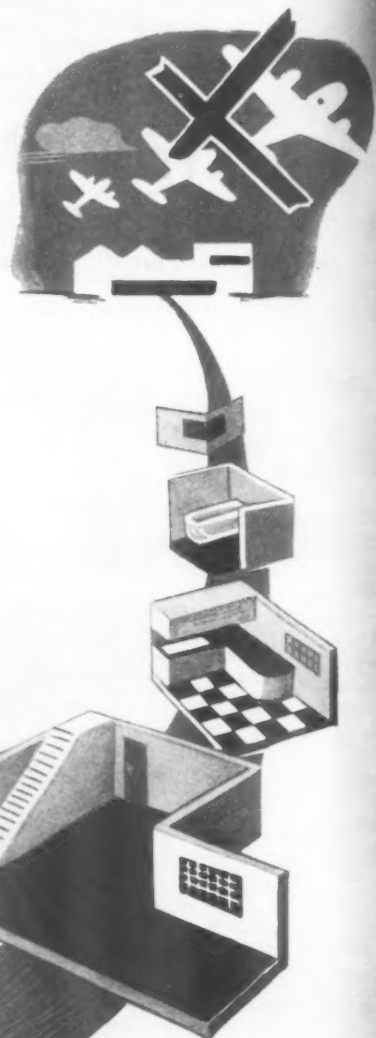
By 1942, under the full impetus of the war program, the total soared to \$8,255,000,000, about one-third larger than the annual average in 1927-'29.

If the rate of building in 1942 was sustained in 1943, which does not appear probable, we will have accumulated a two-year bulge of less than \$4,000,000,000 to apply against a continuous annual deficit since 1929 in normal construction.

Everywhere you look, new industrial plants will be needed.

This is necessary work—work dictated by the profit motive. Modern production managers know they can no more compete in obsolete plant housing than a motor freight carrier could operate profitably with old equipment.

Industrialists will spend money for new construction because they know they will more than get it back in low-cost selling. If this seems a crass frame for a roseate picture of postwar America, it is nothing to be ashamed of. The profit motive is the very epitome of the American system of free enterprise at its functional best.



Firecrackers to Bombs



Bill Engelke, and two kids, on his suburban place which was converted from fireworks factory to bomb arsenal

WHEN America entered the war, the fireworks business was over," says William J. Engelke, owner and operator of the Pan-American Fireworks Company, Fort Worth, Texas, "so I settled down to raising chickens and trying to do something to help the food program."

It was on several shore acres in rural and suburban Lake Worth, near the scattered storehouses and workshops of his company, that 63-year-young Bill Engelke, with his wife and six-year-old son "settled down" to looking after a cow, a calf, two goats and a kid, some fruit trees, a garden, and the raising of chickens, geese and guinea hens.

"This is the life," he'd say, looking toward the buildings where he used to make roman-candles, sky-rockets, flash bombs and other items dear to the hearts of kids the world over. "Glad I'm through with fireworks."

For more than 30 years before Pearl Harbor, "Firecracker Bill" had been making and staging fireworks displays from coast to coast. Hundreds of holiday-crowds had sighed "Oh" and "Ah" to the bright flashes of his colorful Fourth of July shows, and his "Spirit of No Man's Land" had thrilled thousands of spectators from Puget Sound to Biscayne Bay.

But he did not remain settled down very long.

In June 1942, he got a request from an Army officer. Bill sent the officer an assortment of whistling, salute, and aerial flash bombs, and some simulated grenades, similar to those used in his shows.

While many small factories were trying to get into war production, Bill

Engelke was forced into it. The samples sent to the officer proved highly successful for use in sham battles and the realistic training of troops under simulated battle conditions. Orders began coming in by the dozens for thousands and tens of thousands of his paper bombs and grenades.

Although a past master in the art of making fireworks, Bill's conversion to wartime production was not easy. His physical plant, however, was ideal.

"You have to keep this powder separated—it does not mix very well unless you know the formulas," he explains. "Also, making fireworks is largely a manual operation. That is why the Chinese have been so successful in making the peacetime fireworks for most of the world. Their patience and lack of machinery were a good combination for this kind of manufacturing."

Hence, it took time to train help, most of whom are women and older men. Bill thinks young men do not exercise the necessary care, and take too many chances, since they do not have a high regard for safety.

Of course, there are a few "Rube Goldberg" hand-operated machines about the place (the inventions of Bill), some woodworking machinery, and a hydraulic press for packing powder; but most of the work is done by hand.

Each of the dozen small shops is filled to the door. Some of the material is stacked outdoors and protected with tarpaulins. "I do a lot of Fibber McGee housekeeping," grins Bill. "But after it's all over, I'll tidy up the place."

—JOSEPH B. COWAN

HOW AMERICAN INDUSTRY PRODUCES MORE, FASTER, BETTER WITH BOWSER EXACT LIQUID CONTROL

SAVED—A FLOOD OF PRECIOUS SOLVENT... and costs cut to one-tenth

A small ocean of paint is needed to protect planes and other war goods against rust and corrosion.

A Cleveland paint maker, irked at seeing much precious solvent wasted with dirty paint and residue (reclamation processes then used were prohibitively costly), looked for a practical solution... and called a Bowser Liquid Control Engineer.

A Bowser Still, basically similar to those which Bowser makes for the dry-cleaning industry, was recommended... and installed. With it, thousands of gallons of solvents were reclaimed at a cost of only a few cents per gallon, about one-tenth of the old cost. At that rate of saving, the Still paid for itself in its first 150 hours of operation.



Besides making gunsights, bomb-sights, projectiles, fire-control units and much other important war material, in its own factories, Bowser, Inc., is supplying many hundreds of war plants that depend on Bowser lubricating systems, meters, filters, oil conditioners, pumps, dispensers, etc. Just one impressive example—over 90% of America's steel mills rely on Bowser Lubrication Systems. BOWSER, INC., Fort Wayne 5, Indiana.



BUY WAR BONDS



THE NAME THAT MEANS EXACT CONTROL OF LIQUIDS

Your One Best Plan

Our company is noted for its variety of policies and payment plans. Your Prudential agent will help you choose the one most suitable for your special needs and circumstances.

Ask for information without obligation.



The PRUDENTIAL
INSURANCE COMPANY OF AMERICA
A mutual life insurance company
HOME OFFICE NEWARK, NEW JERSEY



... another tough job being done by MORSE

With close to half a century's experience in the building of special and standard silent and roller chain, Morse, logically, was called on to build the special chain assembly type track treads or *shoes*, for the LVT (2) Water Buffaloes constructed by the Food Machinery Corporation. The

services of Morse design engineers are available to those desiring better or specially developed chains or chain assemblies for conveying, handling, or other purposes, even though production may have to wait until these other jobs are done.



SPROCKETS	CHAINS	FLEXIBLE COUPLINGS	CLUTCHES
MORSE <i>Roller and silent</i> CHAINS			
MORSE CHAIN COMPANY • ITHACA, N. Y. • DETROIT, MICH. • A BORG-WARNER INDUSTRY			

Germany Can Be Made to Hate War

(Continued from page 30)

Nazi militarists must be exterminated. War mad industrialists may not be a perfect parallel. They can be cured by physical control of their industries but if they do not cooperate in the ways of peace, others must take their place in industry as in politics.

Possibly the greatest asset of Germany in the rehabilitation of Europe, is the skilled manpower in a highly industrialized nation of 80,000,000 people. Factories will be wrecked and outworn but the individual productive power of millions of artisans will be undiminished. Not using their skill would compare to restricting employment in industrial Detroit to tending victory gardens or rowing sightseers on Lake St. Clair.

Work may prevent war

INDUSTRY must provide work, and quickly, if unemployment and unrest is not to repeat the bloody political feuds which followed the previous war in Germany. It must be on a stable foundation. If peace economy cannot provide jobs and unemployment can be met only by preparations for war, the years of peace will be only armistices to raise new generations for slaughter.

A discontented people who want war must be watched and, in a poverty stricken Germany, memories of Nazi days when everybody had work may acquire a golden glow. When industry provides a living, when opinions can be expressed and when there is opportunity outside of party politics, a country will not accept the slaughter of war for the personal glory of kaiser, fuehrer, duke or emperor.

As the greatest industrial nation, superindustrialized today, regeneration of the rest of the world is a necessity for the United States. Not only must we change from war to peacetime production to keep our own people employed but we must meet the demands of other countries for the goods of which they have been deprived during the war and provide other countries with the machinery and tools to make the same change.

That does not mean that our country must be a free grab bag for whatever is wanted. Nor can American industry expect cash on the barrelhead for such heavy demands. A workable credit system can be planned now.

Previous methods have not been happy. After the last war, America loaned liberally to Germany and other countries for reconstruction. With few exceptions, the loans became gifts as far as payment was concerned. Optimists carried them as assets until the awakening and crash came ten years later. This time, American financing can be more realistic, and industry need not wait ten years for readjustment.

Another hopeful venture of American



What powers most of America's WAR PROGRAM?

The answer is bituminous coal.

America's war program wouldn't get very far without it.

Bituminous coal is used in making practically 100% of all steel.

It supplies 65% of the mechanical energy required to run the machines that make the guns, tanks, planes and other arms and war equipment.

It supplies the power for 94% of the nation's locomotives.

It provides in whole, or in part, the basic materials for all high explosives, and the four most important war chemicals.

85% of all war plastics require processed bituminous coal as a base.

And in addition to all this — and more — 41% of the homes in the United States depend on bituminous coal for heat.

No wonder the annual value of the bituminous coal mined in this country exceeds the value of all metallic minerals combined.

Bituminous coal is a great fuel. We're proud to belong to the industry which mines it. We aim to live up to our responsibilities to our country, to our customers and the men who work in our mines.

★ ★ ★

BUY MORE WAR BONDS

"What do you want to know about the Coal Industry?"

That's what we asked thousands of people throughout the nation, and here are our answers to two of their questions.



How much coal is produced in a year?

During 1943 our bituminous mines produced 589,000,000 tons, the greatest volume ever mined in one year in any country. During the past six years our bituminous mines have produced a total of 2,883,320,774 tons. The yield in 1943 would have been 40,000,000 tons greater had it not been for strikes.

Why are the miners always striking?

They aren't. It only seems that way, because anything that happens to an industry as important as the Coal Industry gets widespread publicity. Rarely does a strike occur except about the time a new contract comes up — and that is at two-year intervals. Strikes in the coal mines are likely to be more spectacular than frequent. This also exaggerates their frequency in the public's memory. We look forward to the day when there won't be any strikes at all!



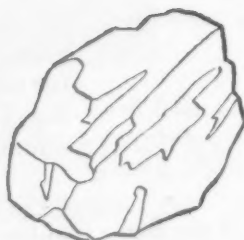
BITUMINOUS COAL *Institute*

60 East 42nd Street New York 17, N.Y.

PLASTICS... IN NORTH CAROLINA



FORESTS



COAL



SOYA
BEANS

and other raw materials offer unusual opportunities to the Plastic Industry

NORTH CAROLINA offers the Plastic Industry unexcelled opportunities. Abundant raw materials: immense forests of hard and soft woods... a practically untapped coal field... mica... clay... asbestos... silica... soya beans and other agricultural products—cotton linters... hulls.

Year-round mild climate.

Plentiful hydro-electric power.

Skilled and semi-skilled labor of a type that makes for profitable operation without interruption, profitable operation, not only for the processor of the raw material but also for the manufacturer of the finished product.

Geographic

location together with excellent transportation systems—rail, air, highway and water—put your plant within a few hours of the principal markets of America. A good location to serve the enormous postwar demands of Central and South America.

Write today for information about North Carolina resources waiting for you. Let our trained Engineering Staff help you solve your problems of tomorrow. Address Commerce and Industry Division, 3177 Department of Conservation and Development, Raleigh, North Carolina.

NORTH CAROLINA

industry was the purchase and operation of factories in other countries. Herr Hjalmar Ulysses Grant Schacht, Nazi finance minister, soon decided that—though the factories helped Germany—sending their profits to the United States did not help and that stopped. After such experiences, America can be content to let foreigners operate their own factories but can equip them when there is some assurance of being paid for it.

The American creditor will supervise the foreign concern—employment, what it produces and profits—until it has paid for the material advanced.

Naturally the Government must protect the credits which industry extends abroad. How much authority, and for how long, will depend on the country.

We can't come home after a whipping and a warning: "Now, be good!" Nor can the United States delegate guarding its interests to its allies as was done before. There will be differences of opinion and conflicting interests from the start and the best of friends change in time.

Americans want to make their armed responsibility, their occupation of European countries, as brief as possible but this time it must continue until the lesson of the war is learned. Heads will be thick and stubborn but with industry as a solid foundation, they can be taught that war is bitter and futile.

The millions, particularly in the United States, whose existence and well-being depend on industry and employment have the biggest stake in the coming peace, and the millions who make the United States the foremost industrial nation of the world can be ready to show the way and have a voice in writing a durable peace for Germany and Europe.



Flexible hose is now made in larger sizes! John Curtis, veteran rubber worker, here is emerging from an inspection tour of the interior of a new hose built by The B. F. Goodrich Company.

Made of 14 plies of heavy duck fabric coated with synthetic rubber and reinforced with two coils of heavy wire, this section is 15 feet long and weighs 2,200 pounds. It will be used in hydraulic mining of phosphate.

Report No. 4 on
HONESTY ENGINEERING
 —a new idea in
Personnel Relations



THAT'S typical of how employers reply to inquiries about Honesty Engineering. It helps keep needed employees on your payroll by helping reduce the number who "go wrong" and misappropriate money, materials or merchandise. In one large wholesale organization, for example, this new Personnel-Protection Plan cut by 83% the average number of employees discharged for dishonesty.

Based on long experience, the U. S. F. & G. Personnel-Protection Plan not only insures you against financial loss through employee dishonesty

but: (1) discloses undesirable personnel and prevents waste in training; (2) applies tested methods that help keep good employees from going wrong; (3) helps employers eliminate leaks, pitfalls and careless acts that often lead to employee dishonesty.

Whether you have 10 employees or 10,000, your U. S. F. & G. agent will be glad to show you how the Personnel-Protection Plan helps you keep employees by keeping them honest. Consult him today.

Branch Offices in 43 Cities—Agents Everywhere

U. S. F. & G.

UNITED STATES FIDELITY & GUARANTY CO.

affiliate:

FIDELITY & GUARANTY FIRE CORPORATION

HOME OFFICES: BALTIMORE, MD.

Consult your insurance agent or broker  as you would your doctor or lawyer

When G. I. Joe Comes Home . . .

(Continued from page 21)

sions of the Selective Service Act. If he desires to take it, he must apply to his former employer within 40 days after discharge. He is advised also of the facilities available to him in connection with obtaining employment, vocational education and other benefits.

Then, with his (or her) toilet articles, a pair of shoes, a couple of changes of socks and underwear, the current issue of clothing (if winter, an overcoat is thrown in) whatever service pay is due, travel pay, plus \$100 of mustering-out pay and a pat on the back, the veteran is returned to civilian life.

After notifying his local draft board of his discharge, the veteran is free to do as he chooses, providing the choice is within the realm of possibility. Some may wish to go fishing, loaf a bit—or just sit under the apple tree for a while, perhaps with a friend, or a jug—maybe both. No government agency or private organization has set up, as yet, a pro-

gram to help the veteran realize such idyllic desires but, if he is looking for work and has had no worthwhile offers, numerous services are available.

Reemployment

IF the veteran is still qualified to hold the position he left to enter military service and applies for reemployment within 40 days after discharge, the employer must give him a position of like seniority, status, and pay unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so. That is the law.

Attached to each local Selective Service Board, are reemployment committeemen who serve as the agents and counsellors of veterans with direct responsibility to restore them to their old jobs and act as liaison agents and contact men with other government agencies.

A veteran, needing advice as to his

rights or desiring help in obtaining his former job, should contact the reemployment committeemen of his local board (or any other board, for that matter).

New employment

THOUSANDS of veterans will not want to go back to their former jobs—and won't. Many others will find that their prewar bosses, for valid reasons, can't reemploy them. Great numbers of them, many of whom entered military service directly from school or college, will have had no previous employment.

Here again, the reemployment committeemen may be looked to for advice, information and guidance as to employment possibilities. If no opportunities present themselves, the committeemen may refer the veteran to the United States Employment Service for actual placement assistance.

Each USES office has a Veterans' Employment Representative whose duty it is to give sole consideration to the finding of suitable jobs for the veterans who apply.

Self employment

FEDERAL, state, local and private agencies have various plans in the making, all designed to help the veteran who wants to go into business for himself.

Congress is considering legislation which will provide federal-state loans to veterans for purchase of individual farms not exceeding \$12,500 in value, the interest to be about one per cent, and the U. S. Treasury putting up \$4 to the state's \$1. Many states are contemplating similar legislation.

The U. S. Department of Agriculture will soon release a report describing possible opportunities in farming, the proper economic-size unit for family operation of various types of farms, the availability of new lands, and the pitfalls awaiting the unwary beginner.

The Army, in cooperation with the U. S. Department of Commerce, is preparing a series of 32 booklets on how to go into business.

Business men of Albert Lea, Minn., have established a fund from which they will make loans to returned service men who wish to start up their own shops and enterprises. Business men in other cities, lacking certain service and amusement centers, are thinking of ways to help finance veterans who can fulfil their particular community needs.

Education

PUBLIC and private agencies are now considering a number of plans and programs for the training and education of both men and women discharged from our Armed Forces. Points of emphasis vary, but all agree on the desirability of providing vocational guidance, education and training at federal or federal-state expense. (Disabled veterans already have this right.)

Many believe and recommend that the federal Government should make it financially possible for every man and woman, who has served honorably for

Veteran Education and Training

THERE ARE certain fundamental considerations which should be given due regard in preparing legislation which will provide the machinery for energizing the objectives. These are:

The Veterans' Administration and the U. S. Office of Education have the expert and professional personnel and the experience to administer such a program. Legislation which will bring into effective cooperation the facilities of these two agencies in managing the program would be most desirable.

The several state departments of education together with the state boards for vocational training should be recognized as competent agencies for administering the program within the states.

Provision should be made for approval of pre-employment training facilities maintained by business institutions. A liaison group inclusive of private educational institutions within each state should be officially authorized to serve in an advisory capacity.

All funds appropriated should be administered by the Veterans' Administration. This is essential so that proposed provisions for reducing mustering-out pay during training, or adjusting subsistence allowances in case of compensation to trainees by employers may be properly handled.

Education and training details should be worked out by the U. S. Office of Education in cooperation with state educational authorities.

Responsibility for determining the need for supplementary educational and vocational counseling and guidance services should reside in the state educational and vocational officials.

Provisions for continued education for a selected number of veterans beyond the one year period available to all, should be most carefully weighed.

As education and training will be executed by local educational authorities and institutions, resulting in a greatly decentralized operation, no elaborate national, state or local programs should be necessary.

Last and most important, no new agency, administration or administrator of the federal Government should be established.

THOMAS C. BOUSHALL

Chairman, Committee on Education
U. S. Chamber of Commerce

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1944



He Drives a Weapon

IN THE FIELDS at home, and on foreign battlefields—farmers are driving the machines of war.

Nearly two million farm boys are in the Armed Forces. Their weapons are tanks . . . anti-aircraft guns . . . powerful crawler tractors . . . and the great engines in the bombers.

Here at home, in history's greatest battle for FOOD, every farm machine is mobilized. This year every tractor operator drives a weapon in the war for Victory and Freedom—and the greatest of these weapons is FARMALL All-Purpose Power.

Just twenty years ago International Harvester announced the original Farmall—the first true all-purpose tractor. The Farmall idea—a *unification of working tools and power*—swept the country. For the first time the farmer had power that could do all the work of

horses . . . faster, better, and at lower cost. Today there are horseless farms wherever you go. Today millions of farmers have learned the efficiency, the economy and the ease of farming with the modern FARMALL SYSTEM.

Today the boys in uniform have reason to be glad that an army of Farmalls is waging a war of production on the home front. These most popular of all tractors, and the long line of Farmall machines, are bearing a major part of Agriculture's record burden.

When the young farmers return with their Victory they must take over and carry on. Food must write the Peace and make it last. Harvester and the INTERNATIONAL dealers, and the modern FARMALL SYSTEM, will arm them for the needs of post-war Agriculture.

INTERNATIONAL
HARVESTER COMPANY
180 N. Michigan Ave., Chicago 1, Ill.



. . . and the FARMALL fights for food!

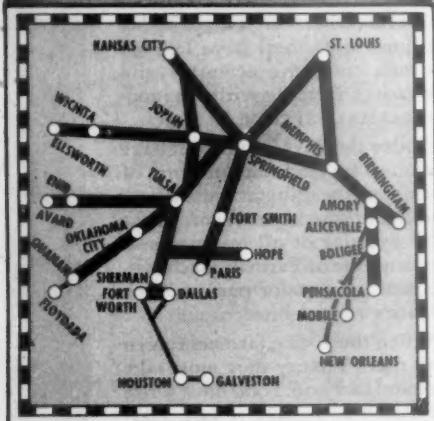
INTERNATIONAL HARVESTER

A GREAT RAILROAD-

FRISCO LINES

ST. LOUIS-SAN FRANCISCO RY.

LINKING A GREAT NATION



**5,000 MILES IN
9 VITAL STATES**

MISSOURI KANSAS
ARKANSAS TENNESSEE
OKLAHOMA MISSISSIPPI
TEXAS ALABAMA
FLORIDA



some minimum period in the armed forces since September 16, 1940, to spend at least a year in a school, trade school, college, technical institution, or training-in-industry.

To forecast accurately how many veterans will want such training is difficult. Economic conditions, employment opportunities, and an awareness of their own needs are the factors which, in the main, will determine their numbers. Educational leaders have suggested that preparations should be made for between 500,000 and 1,000,000 "students" of all types.

Hospital care

THE Veterans' Administration is responsible for providing hospitalization, domiciliary and medical care, vocational rehabilitation, partial and total disability compensation and the settlement of all life insurance benefits for the men and women veterans of the current war.

At present, this agency operates about 93 hospitalization centers in 45 states and the District of Columbia. This is not enough; nor are there sufficient beds to meet the demand. The need for additional competent medical personnel is also urgent. That is not the fault of the Veterans' Administration. It has only recently been classified as a war agency entitled—second only to the War and Navy Departments—to priorities in personnel, equipment, supplies and material.

In recognition of immediate requirements, the Army has detailed 100 doc-

tors, and the Navy 50, for service with the Veterans' Administration. Additional hospital facilities, beds, supplies and equipment of the Armed Forces have also been made available for veteran use.

General Hines, Veterans' Administration administrator, believes that his agency eventually will need at least 300,000 hospital beds. It has about 85,000 beds now and the current construction program is intended to increase the total to 100,000.

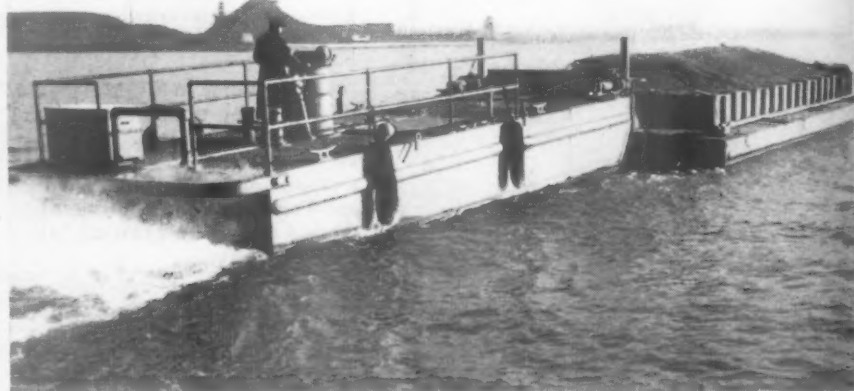
Vocational help

IN addition to the Veterans' Administration's regular rehabilitation activities—such as therapeutic and psychotherapy attention, giving proper fit and use of artificial limbs, and rendering necessary surgical and dental care—Congress has made it responsible for affording vocational rehabilitation training to the disabled of World War II.

No course of training is to extend beyond four years. Maintenance and support of the individual veteran during his training period is provided by increasing his disability pension to \$80 a month for a single man, \$95 a month for a married man with one child, with \$5 a month for each additional child, and \$10 a month for each dependent parent.

Readjustment aids

THE armed services are expecting to expand and reorient opportunities for vocational training and counsel to the



Tugboats in Sections

Tugboats, new style, come down the assembly line of Chrysler Corporation at an average speed of 13 every working day.

Made at a dry-land shipyard, conventional launching is unknown to these tugs. At the end of the assembly line they receive a water test to see that the hulls are leakproof. Their first actual acquaintance with the sea comes after they are shipped to the point of use.

Chrysler's boats are of two types—a

marine tractor and a tug—both called "Sea Mules."

The tractor utilizes the principles of an outboard motor. It is a standard marine engine enclosed in a steel pontoon complete with propeller, rudder and controls.

The tug is formed of two tractor units bolted side by side to make the stern and two pontoons to form a forward section. The four sections can be shipped separately two to a car.

INSURANCE ALMANAC



On April 18, 1775, Paul Revere began his famous midnight ride to warn Lexington-Concord residents that the British were coming... with the result that the Minute Men were ready and waiting for the King's soldiers the following morning. As much concerned about

fire hazards as Revere was about his country's danger, leading fire insurance companies have been warning the public about the danger of such hazards for many, many years. As a result, these hazards are being gradually eliminated... rates gradually lowered!

1944—APRIL hath 30 days

"Plant Victory Gardens early—food is scarcer than ever!"

ASTRONOMICAL CALCULATIONS

EASTERN STANDARD TIME

APRIL	LATITUDE +30°		LATITUDE +35°	
	SUNRISE	SUNSET	SUNRISE	SUNSET
1	5:50	6:19	5:48	6:21
6	5:44	6:22	5:41	6:25
11	5:38	6:25	5:34	6:29
16	5:33	6:28	5:28	6:33
21	5:27	6:31	5:21	6:37
26	5:22	6:34	5:15	6:41

APRIL	LATITUDE +40°		LATITUDE +45°	
	SUNRISE	SUNSET	SUNRISE	SUNSET
1	5:44	6:24	5:41	6:27
6	5:37	6:29	5:32	6:33
11	5:29	6:34	5:23	6:40
16	5:22	6:39	5:14	6:46
21	5:14	6:44	5:06	6:52
26	5:07	6:49	4:58	6:59

APRIL	LATITUDE +30°		LATITUDE +40°	
	MOON-RISE	MOON-SET	MOON-RISE	MOON-SET
1	12:20	1:36	11:55	2:00
3	2:04	3:04	1:47	3:23
5	3:50	4:16	3:40	4:28
7	5:36	5:22	5:35	5:27
9	7:25	6:26	7:34	6:20
11	9:19	7:39	9:37	7:23
13	11:16	8:06	11:40	8:43
15	12:12	10:54	12:38	10:29
17	1:50	12:59	2:19	12:40
19	3:30	3:12	3:42	3:02
21	4:52	5:24	4:52	5:27
23	6:13	7:34	6:02	7:49
25	7:40	9:39	7:20	10:01
27	9:18	11:29	8:53	11:54
29	11:03	12:18	10:41	12:41

To obtain local times of sunrise and sunset: for longitudes other than the standard time meridians (i.e., 75°, 90°, 105°, 120°, for Eastern, Central, Mountain, Pacific Standard Time), decrease time four minutes for each degree east of standard meridian, or increase time four minutes for each degree west of standard meridian.

- 1—Sa.—ALL FOOLS' DAY. 1826, construction begun on 1st Massachusetts railroad.
- 2—Su.—Palm Sunday. 1792, Congress established Phila. mint.
- 3—M.—1860, the Pony Express made its first run between Sacramento, California, and St. Joseph, Missouri.
- 4—Tu.—1933, U.S. Navy dirigible, Akron, destroyed in storm.
- 5—W.—Only an expert can determine whether or not your property insurance coverage is truly adequate. Your Agent or Broker is an expert—see him today!
- 6—Th.—1830, organization of the Mormon Church in Fayette, New York.
- 7—Fr.—Good Friday. 1939, Italian troops invaded Albania.
- 8—Sa.—Full Moon, 12:22 P.M., E. S. T. 1854, Ganges Canal, India, opened.
- 9—Su.—Easter Sunday. 1917, Canadians took Vimy Ridge.
- 10—M.—1845, start of Pittsburgh fire—1,000 bldgs. destroyed—loss, \$6,000,000.
- 11—Tu.—1814, abdication of Napoleon. 1917, Hoover appointed Food Commissioner.
- 12—W.—1861, bombardment of Fort Sumter began.
- 13—Th.—1743, birth of Thomas Jefferson, third President of the United States.
- 14—Fr.—1931, the twenty millionth Ford car rolled off the assembly line.
- 15—Sa.—1912, Titanic sunk after striking iceberg off Newfoundland. 1513 lives lost.
- 16—Su.—Last Quarter, 11:59 A.M., E. S. T. 1889, Charles Chaplin born.
- 17—M.—1915, start of the second battle of Ypres.
- 18—Tu.—1906, San Francisco earthquake and fire (18-21). Property damage totaled \$350,000,000. Insurance companies paid claims amounting to \$220,000,000.
- 19—W.—Among the first to start payments were the companies in the Fire Association Group—companies that have always been noted for prompt settlements.
- 20—Th.—1889, birth of Adolph Hitler (Schicklgruber)—in Austria.
- 21—Fr.—1841, Reliance Insurance Co. incorporated. 1930, Ohio State Penitentiary fire.
- 22—Sa.—New Moon, 3:43 P.M., E. S. T. 1889, Oklahoma opened to settlers.
- 23—Su.—1940, dance hall fire in Natchez, Miss. 198 burned to death.
- 24—M.—1704, appearance of Boston News Letter, America's 1st permanent newspaper.
- 25—Tu.—1898, United States declared war on Spain.
- 26—W.—1607, English settlers landed at Cape Henry, Virginia.
- 27—Th.—Running counter to the rising price spiral, property insurance rates are lower today than they have ever been.
- 28—Fr.—1789, outbreak of mutiny on the Bounty, a British ship.
- 29—Sa.—1697, Hannah Dustin escaped from her Indian captors.
- 30—Su.—First Quarter, 1:06 A.M., E. S. T. 1939, N.Y. World's Fair opened.

OBSERVATION for April:

Replacement costs are so much higher today than in 1942 and 1943 that it's dangerous to assume that your property insurance coverage is adequate unless you've had an expert check up on your policies recently.

MORAL for April:

Have your Agent or Broker make this check-up for you at once!

PROPERTY INSURANCE
Fire—Automobile—Marine

FIRE ASSOCIATION GROUP

Fire Association of Philadelphia
The Reliance Insurance Company
PHILADELPHIA

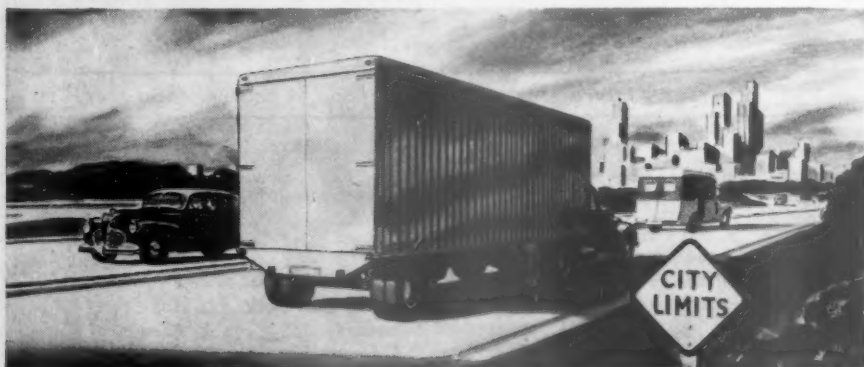


Lumbermen's Insurance Company
Philadelphia National Insurance Company
PENNSYLVANIA

SYMBOL OF SECURITY SINCE 1817



1. Loading up another "bellyful" of destruction for the enemy, quickly and safely with trailers. Trailmobile makes hundreds of trailers for hauling everything from bombs to tanks and crippled aircraft to supplies.



2. Motor Transport covers the home road map, too. Trucks and trailers are the flexible way to link all points on the vast U. S. highway network. Trailmobile is back in production on commercial trailers also. (See below.)

Battle Cry for this war — "GET A MOVE ON!"

"GET GOING!" "HURRY UP!"
"GET A MOVE ON YA!" Those are the battle cries of Motor Transport in this war.

With railroad lines in invasion territory either non-existent or torn up by the retreating enemy, trucks and trailers have to carry almost the entire burden of land supply

for our fighters...rush thousands of tons of equipment that *must* be delivered right now.

Here at home, with too few men, vehicles, tires, and repair parts, Motor Transport has played a vital part in *highballing* American production to its thousands of destinations. On time!

New Trailmobiles Being Made Now

► Trailmobile is again building trailers for civilian uses. Several thousand permitted by Government allocations will be made without let-up in the production of trail-

ers and equipment for the Armed Forces. Watch for Trailmobiles on the road. They are serving you. *The Trailer Company of America, Cincinnati 9, Ohio—Berkeley 2, Calif.*

TRAILMOBILE



Commercial Trailers for War and Peace The Vital Link in Flexible Transportation

servicemen and women during and before demobilization.

In addition, all public and private agencies that aim to help veterans in civil life are preparing to assist in giving vocational guidance and counseling. In anticipation of this activity, the U. S. Employment Service has started experimental programs in seven cities, with the cooperation of the Veterans' Administration and the local draft boards.

Clearing house committee

A PLAN for organizing local Clearing House Committees, to be made up of representatives from organizations of business, industry, commerce, agriculture and labor, and from patriotic and civic groups, is now in the mill. These committees will handle, as community problems, all reemployment cases that the reemployment committeemen of local draft boards cannot adjust; and they will also make available the combined resources of the community in supporting the efforts of the reemployment committeemen and the U. S. Employment Service.

This plan, suggested by the Reemployment Division of the Selective Service System, was developed by the National Clearing House Committee in Cooperation with the Reemployment Division. On the National Committee are representatives of 15 national organizations which include farm, labor, business, and industrial organizations and service clubs. The Chamber of Commerce of the United States is a member.

Employer activity

EMPLOYERS who are genuinely interested in their employees are keeping in touch with those in the service. Letters from the "old boss" or other executives mean much to the soldiers far from home. Small gifts, the company magazine, special messages on holidays or important occasions cheer them up.

But no one thing is so important to the soldiers as knowing that they are wanted back again when they are discharged. To have given these men and women when they left a general assurance that their jobs would be waiting is not enough; it is welcome news every time they hear it.

Looking ahead

DIFFICULT and troublesome problems will no doubt arise in some businesses in connection with the return of former employees.

Many of those who are now being discharged are handicapped. With them the employer must proceed with sympathy and understanding. Properly placed, these men can and will make valuable employees.

Top executives are appraising their opportunities to help. General Motors Corporation, for example, has, at each plant, a representative of the Personnel Department who coordinates the activities of the medical, employment, training and supervision departments with



Once upon a lot of times...

Many cities and towns throughout America could tell stories of men with vision and initiative who have seen the possibilities for progress in the automobile business . . . and made the most of them.

These are stories of the American way of working, in which men are free to take advantage of the openings ahead of them and to progress as far as their beliefs, desires and industriousness can take them.

By better serving the needs of their customers they built their businesses from some-

times small beginnings into substantial and thriving enterprises. In the process they provided employment opportunities for other men and women and contributed to the economic life of their communities.

Under America's traditional freedom of competitive individual enterprise, broad opportunities should continue to exist in the automobile business for ambitious, energetic business men.

TUNE IN MAJOR BOWES EVERY THURSDAY, CBS, 9 P. M., E. W. T.

Today dealers handling Chrysler Corporation products provide vital wartime automotive services

Chrysler Corporation

PLYMOUTH • DODGE • DE SOTO • CHRYSLER • DODGE Job-Rated TRUCKS

LET'S ALL BACK THE ATTACK—BUY MORE WAR BONDS

NATION'S BUSINESS for April, 1944

83



Out of the CRUCIBLE OF WAR



War is a testing laboratory and out of its crucible come many refinements. Only those things will survive that can prove their worth.

The railroads have withstood this gruelling test. They made the transition from peace to war quickly, without confusion... and their amazing cooperation with our fighting forces has won the admiration of all.

Some day—may it come soon!—the transition from war to peace will be accomplished. For that day, too, the railroads are preparing.

On the ROCK ISLAND we are pledged to carry on through the war, vigorously and resolutely... to provide even finer transportation in the post-war rehabilitation days. Trains will be better... schedules faster... there will be a degree of travel comfort never before experienced.

Every transportation refinement that comes out of this crucible of war shall serve peacetime America.

BUY MORE WAR BONDS

As yesterday—and today—so tomorrow ROCK ISLAND'S sole purpose is to provide the finest in transportation

ROCK ISLAND LINES



ONE OF AMERICA'S RAILROADS—ALL UNITED FOR VICTORY

respect to the employment of former servicemen and women.

The business men of Birmingham, Ala., have adopted a rule that any veteran seeking employment will be interviewed by the top man of the organization to which he applies.

Standard Oil (N.J.) President, R. W. Gallagher, points up an interesting situation which many employers will face in the next few years:

"Finding good jobs which offer advancement to returning employees who have grown in experience and judgment will be one of American industry's post-war problems...."

"Many men who went away as office boys or clerks are going to come back to us with enormously broader experience...."

"One of our office boys is now the captain-pilot of a Flying Fortress with 300 combat-hours and a D.F.C. Former tank wagon drivers are now majors; and a fuel oil supervisor of ours is now a lieutenant colonel. These men have qualified for far better positions."

Work for Emily Post

FOR many years, the seriously wounded veterans will be appearing in public (and who has a better right?)—soldiers who have lost a leg, an arm or an eye—or with bad scars. They bitterly resent the rudeness and stupidity of civilians who gape at their handicaps.

"Everywhere I went people stopped and stared at me as if I were a ghost." ... "Where were those nitwits brought up?" ... "What is the matter with 'em? Haven't they ever seen a guy with one leg before?" These are just a few sample remarks made by convalescing soldiers.

SO MUCH for the public and private plans and programs in the mill or already operating for the benefit of our homecoming soldiers. That we have learned much from the experience growing out of World War I, is heartening; also encouraging is the fact that a grateful nation is preparing to do better for the veterans of World War II.

But a successful reunion—the real, longed for, happy homecoming—is not, cannot be, based on the plans of planners; it rests in the hearts of loved ones.





Will Your Advertisement Get This Welcome Tonight?



EVENING! . . . Bringer of the tranquil hours after the day's hard tasks. Bringer of families together after the day's dispersal.

And, when nightfall comes to Chicago, a million reader-friends gathered in their homes look forward to an event—arrival of *The Chicago Daily News*. This newspaper is BASIC to their home-life. It is read by the entire family—thoughtfully and thoroughly—in the evening when there's more time to read.

Out of the old, BASIC wisdoms of advertising is this: "Say what you have to say in a HOME newspaper." And, because so many advertisers hold fast to this precept, *The Chicago Daily News* has carried for 43 consecutive years more Total Display lineage than any other Chicago paper, morning, evening or Sunday.* . . . Yes, *The Daily News* is Chicago's BASIC advertising medium.

*For fair comparison, liquor lineage omitted since *The Chicago Daily News* does not accept advertising for alcoholic beverages.

THE CHICAGO DAILY NEWS

FOR 68 YEARS CHICAGO'S HOME NEWSPAPER
ITS PLACE IN THE HOME IS ONE OF
RESPECT AND TRUST

DAILY NEWS PLAZA: 400 West Madison Street, CHICAGO
DETROIT OFFICE: 7-218 General Motors Building

NEW YORK OFFICE: 9 Rockefeller Plaza
SAN FRANCISCO OFFICE: Hobart Building

They Tell It to the Army

By JOHN CARLYLE

TRAINED in everything from foreign languages to judo, our new Military Police are ready for whatever turns up

WHEN our army of invasion lands on the shores of Europe, the Military Police—complete with white and blue arm bands and crossed pistols on their collars—will go with it. In the first wave.

The M.P.'s will be needed to handle traffic.

That is one of the things the new Corps of Military Police has been trained for by Maj. Gen. Allen W. Gullion, Provost Marshal General.

The invasion will be, physically, the most enormous operation of the sort ever attempted. We thought we had done rather a good-sized job when the American forces were convoyed across the sea in 1,000 ships to be landed at approximately the same second on a hostile shore. It is probable that the North African affair will by comparison to the landing to come be relatively picayune.

No military man will say what the invasion force will be.

In the end there will be millions, once the planes and the big guns and the first burst of Commandos and doughboys and British regiments and Marines have stamped out a beachhead. For each man with a gun, another man will be kept busy landing and transporting supplies, carrying out the wounded and hauling materials forward.

Unless the wheeled traffic were rigidly controlled, that prodigious army would have within it the makings of the most hideous traffic snarl the world has ever known.

Veterans of the First War will never forget the jams that used to stop truck movement on the roads of France. It was possible to detour troops through the fields but, when wheeled motion stopped, it was often necessary to push big guns into the ditches and start the trucks down remote byways which seemed to promise nothing more certainly than oblivion.

The Military Police of today have been trained to make impossible a repetition of that kind of misery.

The number of men in the Corps has never been publicized. The American people know very little today about the M.P.'s. We have—most of us have—seen two young men in a jeep but have



PRESS ASSOCIATION, INC.

A tough culprit in Algiers meets an M.P. whose job is to make the place safe for residents until the A.M.G. catches up and takes over

not known the difference between the M.P.'s and the Navy's Shore Patrol. Some of us have seen the two M.P.'s who walk the aisles of trains on which soldiers are passengers. Not so many of us have been guided about Army posts and reservations by M.P.'s and told what to do and what not to do.

M.P.'s require special training

FEW of us realize that the Corps is literally indispensable in today's war. It is the catalyst that helps the Army's parts to function. If there were no M.P.'s, trained in their duties, it would be necessary to detach men from the line and staff to do their work. Such men, untrained, and not even aware of the many things for which they would be held responsible, would inevitably make a mess of it.

That is what happened in the First War.

When men were needed to do police

duty, it was once the habit to put the first available squad on the job. Then shoulder-hitters were given permanent assignments. No one bothered to instruct them. Hard Boiled Smith and his mastodons at Army Headquarters on the Rue St. Anne in Paris became a post-war scandal. Smith served three years in an Army prison. Smith is not to be found today:

"I hope the veterans never hear of me again," he said fervently when he finished his term.

Yet Smith was not wholly to blame. He was caught in the net. When he was first ordered to go out and be an M.P. he reported to his commanding officer:

"The men laugh at me. They won't do what I tell 'em."

"Get hard-boiled," said the C.O.

"From now on," vowed the second lieutenant, "I'm Hard Boiled Smith."

Toward the end of the First War a centrally controlled body of M.P.'s was set up in the A.E.F., but never became



SERVING THROUGH SCIENCE

SAVING LIVES WITH BULLET-SEALING FUEL CELLS

that men may LIVE to build a better world

Safe... because modern science... in this case rubber science... found a way to close bullet holes in gas tanks.

Thousands of planes have returned to their bases literally riddled with bullets that a few years ago would have crashed or burst into flames in mid-air.

Thousands of boys have lived to fly again.

The development of the self-sealing fuel cell (gas tank) has saved practically as many lives as any single safety device. Yes, research and experiment have reduced even the hazards of combat flying.

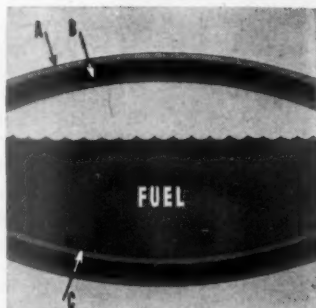
We have come a long way since United States Rubber Company submitted its first self-sealing fuel cell to the leaders of our armed forces, prior to the war. Synthetics have taken the place of natural rubber. Many other laboratory developments have perfected the equipment which we still cannot talk about.

This fuel cell development and its production have been part of our share in the war effort.

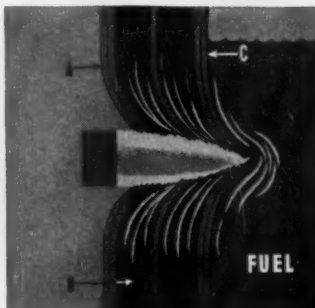
Let us give you another picture. If it had not been for the encouragement and enthusiasm of the leaders of our armed forces, their insistence that items to save men's lives be given preference in material and production, these things could not have been done. Industry, with the Army and Navy working hand-in-hand, overcoming every discouragement, has given our boys the finest equipment today and will continue to give them such equipment tomorrow.



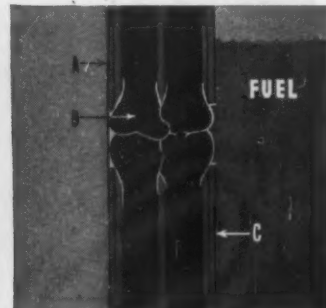
RIDDLED WITH BULLET HOLES
...but safe because the bullet-sealing fuel cells, made of synthetic rubber and fabric, seal up the holes automatically the instant they are made, protecting the precious fuel supply. See how these life-saving, bullet-sealing fuel cells work.



THIS IS A FUEL CELL... built to fit inside the wing or fuselage. (A) is a strong, outside wall of synthetic rubber and fabric. (B) is the sticky sealing material. (C) is the inner lining of specially compounded, gasoline-resisting, synthetic rubber.



A BULLET PIERCES THE FUEL CELL
...When the bullet penetrates the outside wall of the fuel cell (A), the layer of sticky, elastic sealing material (B) surrounds the bullet. The sealant springs together quickly and closes the hole as the bullet passes through.



THE HOLE SEALS UP... Some of the fuel touches the sealant (B) and makes it swell, completing the seal. Science has used the natural stickiness of rubber and the basic conflict of rubber and gasoline to seal the bullet holes, to save lives and speed the victory.

Listen to the Philharmonic-Symphony program over the CBS network Sunday afternoon, 3:00 to 4:30 E. W. T. Carl Van Doren and a guest star present an interlude of historical significance.

UNITED STATES RUBBER COMPANY

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NATION'S BUSINESS for April, 1944

a part of the Army. After the war it disappeared. But the need for such an organization was recognized and the infantry set up a kind of stepchild body. In September, 1941, the present Corps was formed on a functional basis by order of the Chief of Staff.

"First of all an M.P. must be a soldier," said Major General Gullion.

"Every M.P. must show at least 100 in the Army's intelligence test." That test requires the man who passes it not only to have intelligence, but likewise the ability to use his intelligence in split-second time. Some of the questions asked would warrant almost anyone in scratching his head, but the M.P. is expected to make the right decision at once.

The M.P. must be courteous and well-informed. He must have that quality which obtains obedience, because a military policeman has more authority than any other man of his rank in the Army. He can and, on frequent occasion does, tell a general what to do and where to go. The general can "pull his rank," of course, and refuse to obey.

That goes down on the general's papers. If he cannot justify his defiance,

it's likely to be too bad. On one occasion in Africa a general who had slogged for hours at the head of his column—contrary to the G.I.'s firmly held opinion of generals—felt a hand on his arm in the middle of a black night. The general was tired, his shoes were full of sand, and he had stopped loving anyone:

"Military Police, sir," said an unseen man. "You're out of your way. Go back four miles and turn left at the smashed tank."

Trained in special schools

THE Corps is divided roughly into two elements:

The M.P.'s who have been trained for combat duty are tough as whang leather. No one would say they form a *corps d'elite*, because that would provoke reprisals from those infantrymen, artillerymen and Rangers who might not understand it. But they are as good as any man's soldiers. They know all about fighting with the knife, bayonet, hand grenades and various kinds of guns—and are also experts in judo.

They get their training at Fort Custer, Mich., where, on the authority of

trainees, the blizzards are wonderful. They study hard all morning at gas warfare, languages, map reading, the treatment of prisoners and the like, and in the afternoon may be called on to go on a 20-mile hike under full pack. That night they may get a night march, done in silence; and at 5:30 the next morning, the bugle blows and the M.P.'s face the new day with happy morning smiles. "Anyhow," said the officer, "they face it."

These are the men who went ashore at Salerno and in North Africa, and directed landing regiments and guns and tanks and half-tracks and trucks and rolling kitchens, and who will do the same for the mechanized army that will one day clank up some continental beach.

The other element of the M.P.'s must know all about the provisions of the Geneva convention and handle prisoners without provoking complaints from the neutral inspectors.

The escort guard units guard the prison camps and control prisoners on march.

The processing units are made up of linguists able to speak, collectively, most languages. They get from each prisoner his name, home address, number of his unit, address of nearest of kin—and fingerprint and photograph him.

In a modern war, in which prisoners taken may be numbered in tens of thousands after each engagement, these M.P.'s are of immense value to the army chiefs. They not only know what to do but how to do it.

In camps, a police force

THE Military Policemen, who are on duty in posts and camps and on trains, have been trained just as are the members of any up-to-date police force. They handle traffic under the direction of experts. They regulate the movements of civilians in and out of army encampments, operate the information services and make all criminal and traffic violation investigations. They are kept abreast of the latest methods of crime prevention and detection.

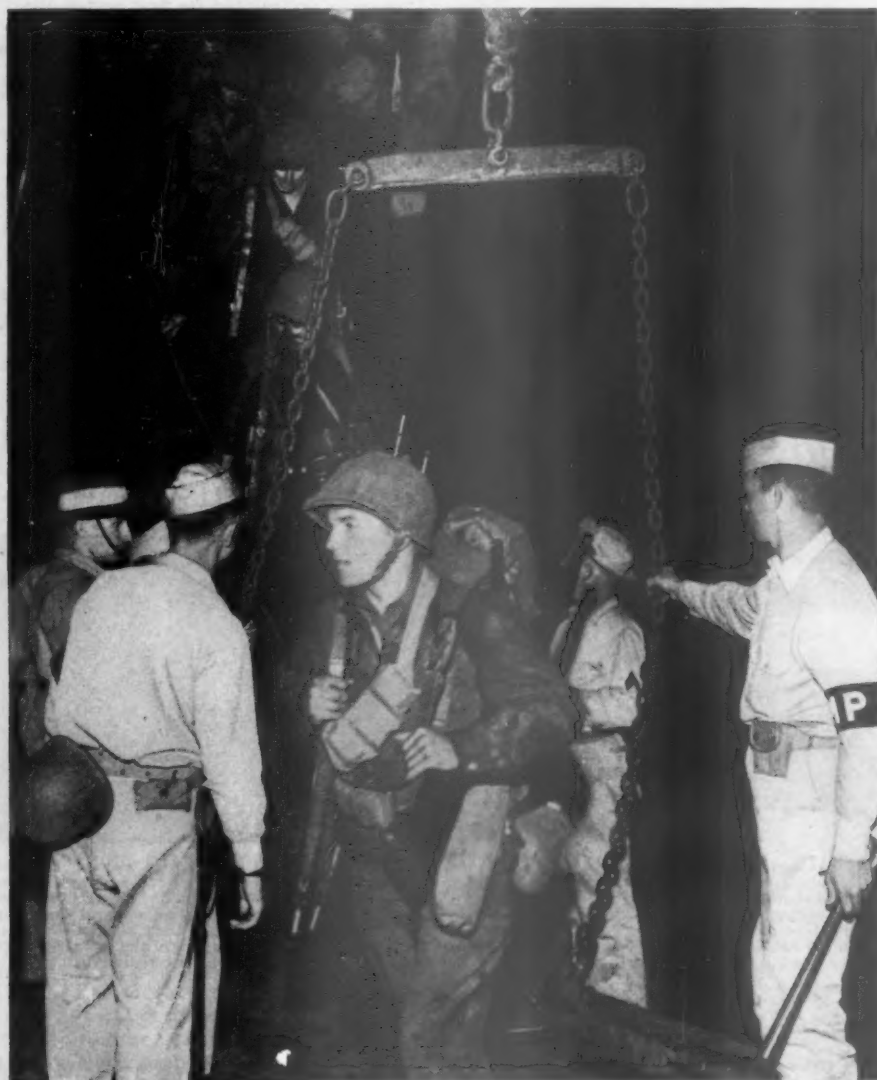
A candidate for admission to the Corps should be 28 years old. By that time he has attained years of discretion. He should weigh not less than 170 pounds. The pounds must be bone and sinew. He may not be less than five feet, ten or more than six feet, two. A nice, handy, average size in a crowd.

The better his education the farther he'll go. At least 20 per cent of the students in the Officers' Training School were actively engaged professionals. In one class there was an advertising executive, 12 lawyers, 20 teachers and eight musicians.

The qualities demanded of a candidate for admission do not differ widely from those of the F.B.I. Perhaps the chief difference is that less stress is placed on education and social background in the M.P.'s. In both services, high character is insisted on.

"Above everything else, they're soldiers," as Major General Gullion said.

They are diplomats, too. Now and



Wherever the Army goes—with its tanks, trucks, half-tracks and rolling kitchens—the M.P.'s are there to keep the traffic moving



A WORLD PORT with deep water harbors and terminals unexcelled on the Pacific Coast. Concrete and steel construction with automatic sprinkler systems, terminal storage, free and bonded warehouses, and industrial space at the terminals. Direct loading between ship and rail.



FROM SCENIC HOME IN THE HILLS to office, plant or waterfront is but a matter of 10 to 20 minutes. Metropolitan Oakland Area, location of several of the largest Army, Navy and Government establishments in the Nation...the leading industrial and war activities county of the San Francisco Bay region and Northern California...offers a combination of scenic, residential and industrial attractions and advantages found in no other community.



"...and then there's China!" China, with its 450,000,000 population rapidly becoming modernized and industrialized, will provide a tremendous postwar outlet for your lines, Mr. President.

"With a plant in Metropolitan Oakland Area, on the mainland side of the largest land-locked harbor in the world, you'll be in the ideal location to serve the Orient, and the fastest growing section of the United States. You'll be at the center of the amazing NEW West, the industrialized Pacific Coast and the 11 Western States.

"Some of your raw materials will come from the Orient and your finished goods will go back by the same trade routes. Other raw materials will come from California and nearby states, your plant will be in the most favorable location for low-cost distribution to these sections.

"There are many other important reasons for locating in Metropolitan Oakland Area, but I'd like to put them down in black and white instead of talking them. Why not let us compile a *Confidential Special Survey* applied directly to your operation?"



"FACTS AND FIGURES"—a brief outline of the markets of which Metropolitan Oakland Area is the logical center, and of the many reasons for locating a plant here—will be sent to any manufacturer who is thinking of establishing a postwar factory in the West.

Now is the time to work out all the preliminaries and select a site, so as to be ready to start your plant when Victory Day arrives. Let your request for this booklet be the starting point for the development of your western operation. Write today.

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CALIFORNIA

Mainland Gateway to the
Postwar Markets of the Orient





THE BIG THING IS THE
"Free-Swing" Back
 and today's big value is PARIS

Only Paris has the patented "Free-Swing" Back—"Can't skid off your shoulders." No bind, no strain, no pull. Paris has generously ample all-elastic back straps—get Paris and you get your money's worth!

Most styles, \$1. Others, \$1.50 and up.

See the smart Paris "Free-Swing" Suspenders your dealer is showing—NOW! Save money—get a pair for each suit—alternating prolongs their wear—a great convenience, too. Get the genuine Paris.



Extra value—extra comfort at no extra cost.

The patented "Free-Swing" leather-link rotary action back.

PARIS
FREE-SWING SUSPENDERS
Can't skid off your shoulders

then a soldier gets a little high on his way home on furlough or on his return to camp. One such man, red-faced and unbuttoned, might not only make an entire carful of civilians desperately unhappy but might lead to unwarranted conclusions about the Army itself.

In Hard Boiled Smith's day, such a man would be put under control so rapidly that he would never be certain where he was when the earthquake hit him. Then he would have been slammed around in a back room until he was convinced that he hated the M.P.'s more than the Germans. Nowadays such a man would first be warned.

"Button," an M.P. might whisper. "Tie's loose. Pipe down, soldier. There's a lady in the car."

Major General Gullion would rather see one erring soul brought to penitence in this way than have an entire guard-house filled with aches and pains. The soldiers have gotten the idea, too. G.I. Joe knows that the M.P. will protect him as far as he can.

He has a certain respect for the policeman for another and perhaps a snobbish reason. The M.P. is always impeccably turned out. His clothes are clean and pressed and his shoes shined, and he wears a shave instead of yesterday's growth.

The soldier, too, is well-groomed, for that matter. Only not so much. When he looks at the policeman he at least knows how he himself should appear to his public.

Undoubtedly the most embarrassing of the M.P.'s duties at home is dealing with civilian authorities.

He can get along all right with the military. He has the authority, he knows what should be done, and how to do it.

He is told to confine his police activities to military personnel. That theory is lovely to look at but it works in reverse.

Civilians are hard to manage

THE military police have no authority to combat vice conditions in towns near a military encampment. It is true that Congress passed the May Act in 1941, to enable the civilian authorities to deal more effectively with offenders against morality. But the Army has no desire to deal harshly with the elected officials of an offending town. That kind of thing makes for bad blood. Some one can always be found who will declaim against unwarranted interference and army brutality.

Yet the health of the soldiers must be protected.

In a general way of speaking, this is done by placing a town or an establishment or a street "out of bounds." A soldier found in the forbidden precinct will be punished under army regulations. In the neighborhood of one post about 150 "sandwich shops" (there are other more commonly used names for such establishments) became a positive threat to the Army's health. The provost marshal stated the case to the keepers of the shops:

"You can't do nothin' to me," was the formula of reply. "This here's a free

country. No soldier's goin' push me around."

The provost marshal pushed no one around. The state and local officials would do nothing. But when an armed M.P. was stationed at the door to every "shop" to turn back wandering soldiers, business fell away to nothing. In a little while the shops remaining open did a legitimate business, and nothing else.

Meanwhile the M.P. seems to be getting along fairly well.

Combat troops have police

IN THE combat zones each division has an M.P. platoon, each Corps an M.P. company, and each army an M.P. battalion. It seems to have been the original plan that elements of the M.P.'s would be used as occupational troops, for the policing of the captured towns and villages. This might well have been successful. It would have been merely an expansion of the old plan by which provost marshals took charge of the policing of such towns.

An added factor, however, was the creation of the A.M.G.'s—that force of specially trained officers now functioning in Italy. Occupational M.P.'s could hardly function successfully under the orders of the A.M.G. officers, who did not belong to the Corps.

When a town is taken the M.P.'s move in, police it up, make it safe for residents and visitors, and when the A.M.G. catches up, turn the job over to it and go on to the next town.

A final bit of information: You may notice that those crossed pistols on an M.P.'s collar are at full cock.

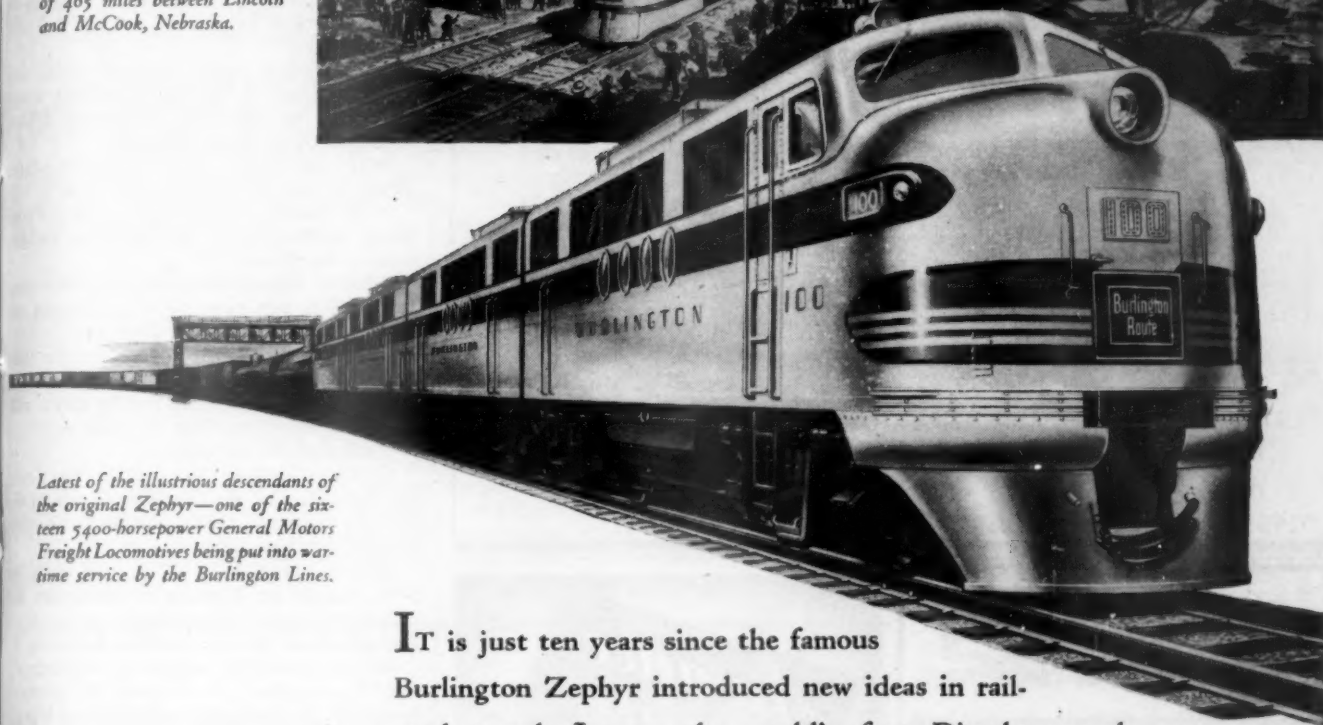
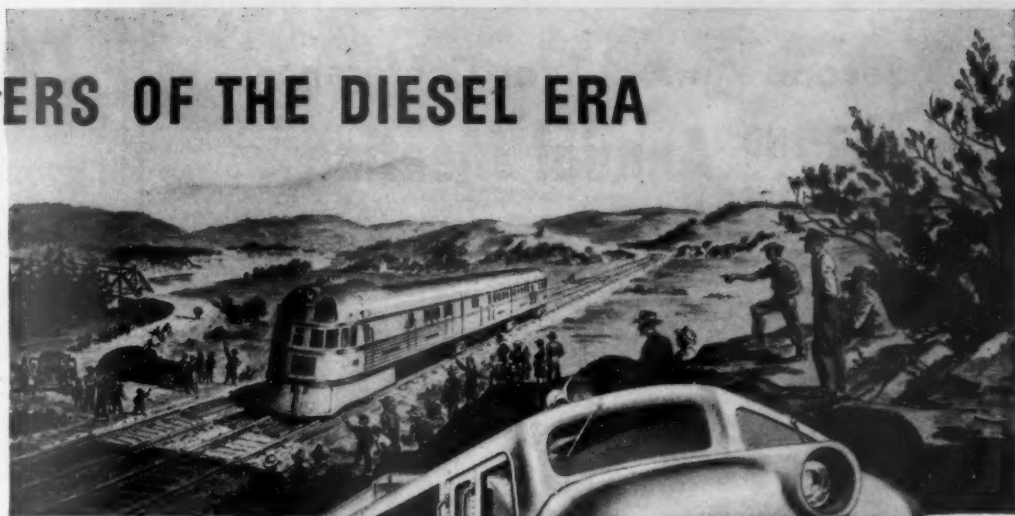
That is a declaration that the wearer is "always ready."



If there should be an errant WAC, a lady M.P. is likely to find her

PATHFINDERS OF THE DIESEL ERA

The original Burlington Zephyr which inaugurated a new era in American transportation history in 1934. After more than 1,650,000 miles it still is assigned to its daily round trip of 465 miles between Lincoln and McCook, Nebraska.



Latest of the illustrious descendants of the original Zephyr—one of the sixteen 5400-horsepower General Motors Freight Locomotives being put into war-time service by the Burlington Lines.

It is just ten years since the famous Burlington Zephyr introduced new ideas in railroad travel. It was the world's first Diesel-powered streamlined train. Its power plant was General Motors Diesel. Today hundreds of General Motors Diesel Locomotives are hauling passengers and freight on 75 American railroads. They operate many millions of miles annually with astounding dependability and economy. Day by day additional GM Locomotives are entering that honored field of more than one million miles of operation. Every day brings new records of performance. And this performance, highlighted by its invaluable contribution to the astonishing war record of the railroads, is providing a glimpse of the greater day of railroading which lies ahead.



LOCOMOTIVES ELECTRO-MOTIVE DIVISION, La Grange, Ill.

ENGINES...150 to 2000 H.P. ...CLEVELAND DIESEL ENGINE DIVISION, Cleveland, Ohio

ENGINES...15 to 250 H.P.DETROIT DIESEL ENGINE DIVISION, Detroit, Mich.

Second Annual War Conference

32ND Annual Meeting

of the Chamber of Commerce of
the United States

MAY 3, 4, 5

NEW YORK CITY

American business and industrial leaders will discuss:

1. The war—where do we stand; what do we have to do; what are we doing?
2. Producing for the armed forces and consumer needs during the transition period.
3. Planning for freedom and jobs in an expanding economy after the war.

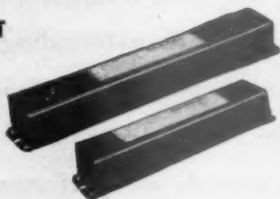
The program will present leaders from industry, government, the Army and Navy.

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Boston, Mass.

WIPS Produce

A NEW idea is stepping up war production. It sprang into being when the women workers in du Pont's Spruance Plant at Richmond, Va., became WIPs (Women in Production Service)—an organization with work uniforms, insignia and a system of earned ranks.

This closer identification with the war effort worked wonders. Absenteeism dropped 50 per cent. Injuries were reduced 61 per cent. In the WIPs' first two months, 200 more suggestions came in than had been submitted during the previous year.

The driving power behind these important gains is the desire of the average WIP to advance her rank, which includes these qualifications:

WIP, 1st Class—All women in plant (Fabric insignia and plastic pin.)

WIP, Senior Grade (red bar)—War Bond participation, no injuries or absences for 30 days.

Junior Lieutenant (red and white bar)—Ten per cent on War Bonds, no injuries or absences for 60 days.

Senior Lieutenant (red, white and blue bar)—Ten per cent on War Bonds, no injuries or absences for 90 days, efficient job effort, civilian defense activity, one suggestion submitted.

Captain (silver bar)—Ten per cent on War Bonds, no injuries or absences for six months, three suggestions submitted, civilian defense activity.

Major (gold bar)—Ten per cent on War Bonds, no injuries or absences for one year, three suggestions submitted, one adopted; civilian defense activity.

Industrialists interested in organizing WIPs chapters are invited to contact Lewis A. Nuckols at the Spruance Plant, Richmond, Va., to obtain, without obligation, information and assistance.

—HAROLD S. KAHN



Factory life was new to Senior Lieutenant Edna Shumaker but she broke production records in her department

The Coming Battle of the Metals

(Continued from page 44)

moving van, which is lighter by one to three tons than its steel-bodied counterpart, handles more easily when empty and carries much heavier loads when filled. Going or coming it is more economical to operate. Aluminum will conquer much territory in this transport field.

Passenger automobiles could be made substantially lighter by using aluminum. That would make them more economical to run.

It is a moot question, however, if the weight saving would warrant paying a higher price for a car. You are not going to pay \$150 to \$200 more for your car unless the light weight makes it perform better or saves an equivalent outlay for tires and gasoline.

Scrap costs may go lower

WHEN engineers discuss the possibilities for using aluminum in automobiles they usually mean secondary or scrap metal.

At the moment scrap costs just about as much as primary metal but after the war it may drop. If it should go as low as five cents a pound, power plants might be built out of it. Experiments with aluminum for bodies and frames are considered, but for bodies, the metal has certain disadvantages.

Aluminum tends to tear when struck rather than to dent, and the American motorist might not like that.

Magnesium will try to capture some pillboxes in automotive territory. Though light, stiff and with good machining properties, it does not, however, resist corrosion very well.

Magnesium has made a better showing in industrial operations where lightweight movable equipment saves time and labor.

Thousands of pounds of aluminum have gone into construction of ships and here is one field the metal intends to hold. Lightening the superstructure of ships also turns useless weight into revenue weight.

Unfortunately for aluminum, the post-war period problem promises to be to make use of the ships we have rather than to encourage the building of new ones. Unless aluminum can show great savings if used in replacement, the market may not be large.

Probing around for weak spots for break-throughs in this battle, aluminum may pick electrical equipment for its second offensive. There is possibility of large tonnage here. Aluminum has good electrical conductivity, which—with light weight—makes it suitable for conductor cable. Millions of miles of such high-voltage cable have been produced. Then there are such items as bus-

Will It Be the Featherweight Age?

TO PERMIT manufacturers to do experimental work and to make experimental models of civilian goods to be put into production after the war, the War Production Board is already releasing some aluminum.

Among the products listed for which aluminum may be obtained are:

Structural shapes for buildings and bridges
Ladders
Cooking utensils and containers
Lawnmowers (but not blades)
Corn picking machines
Kitchen cabinets and sinks
"Tiles" for bathrooms
Kitchen ranges
New types of aluminum foil

New types of paint
Electrical equipment
Portable partitions
Certain art products
Furniture
Animal traps
Plumbing fittings
Windmill blades
Moldings and edgings
Filing cabinets.

"Move over and make room for the Featherweight Age," say the aluminum and magnesium people.

"Don't be too sure of yourselves," say the steel men. "Remember, we've got a few ideas of our own up our sleeve. We're not going to be sitting around here on our ingots, doing nothing."

Smokers



Avoid "GIRAFFE THROAT"

—that long stretch of Bite and Burn

Make your smoking ALL pleasure with Country Doctor Pipe Mixture. Extraordinary blending experience, with the skilful selection of the finest tobaccos, plus a perfect moistening agent... make possible this exclusive blend which effectively bars B-B JEEBIES (Bite and Burn) which you usually find in ordinary tobaccos.

Country Doctor Pipe Mixture



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Makes Light Work Out of Tough Sweeping Jobs

Steel back of Speed Sweep brushes is the basis of unique construction for faster, easier, better sweeping. Block is $\frac{1}{2}$ usual size—easier to handle. Tufts of longer, better fibres are more compact—provide "spring and snap" action. Handle instantly adjustable to height of sweeper—reduces fatigue and strain. Speed Sweep brushes are built to outlast ordinary brushes 3 to 1.

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Since Pearl Harbor Speed Sweep brushes have proved their superiority in many thousands of factories under varied conditions. They are unconditionally guaranteed to meet your requirements. Prompt shipment on AA-5 or higher priority rating. Write for styles, sizes, and prices today.

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BRUSH COMPANY
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ST. PETERSBURG INVITES INDUSTRY



INDUSTRY is moving southward. Population is moving southward. The St. Petersburg-Tampa area has been selected by the Census Bureau as one of the sixteen metropolitan areas of the United States having the greatest growth since 1940 and having the best prospects of retaining this growth after the war.

St. Petersburg warrants your careful consideration of its advantages for industry and commerce. Although it is the second largest resort center of the South and intends to maintain its leadership in this field, it also wants selected light industries to balance its economy.

It possesses a remarkable combination of advantages, including nearness to southern markets and raw materials, availability of skilled workmen, plus unusually favorable climatic and living conditions for yourself and your employees.

Get information about St. Petersburg now. Write today for our new booklet, "St. Petersburg Invites Industry." We will gladly give you additional information and assistance to help you in your investigation. Address Industrial Department, Chamber of Commerce, St. Petersburg, Florida.

"Enjoy living while making a living."



ST. PETERSBURG FLORIDA

"THE SUNSHINE CITY"

bars, conduits, housings, windings and insulated wire and cable which could be well handled by aluminum.

You may wonder why strategy does not call for an all-out offensive on the home front. Certainly there are many commodities in any household that would be better for being lighter. There will be an offensive here, but it cannot win victories as significant as those which can come from attacking transportation and electrical equipment, because the tonnage is smaller.

Lightweight home items

THE battle to win the home front will use the appeal of better products and the decorative possibilities inherent in new finishes and color. Postwar cooking utensils will reconquer much lost territory and there will be lightweight household items such as stoves, cabinets, heating equipment and furniture. You may not be able to build an aluminum house for a long time, if ever, but you will have lightweight, snug windows and screens that won't rust.

Unlike most struggles, the Battle of the Metals is unceasing. No position is ever won for keeps.

The fact to remember here is the inequality between opposing forces. Aluminum and magnesium will come up to battle greatly strengthened by experiences gained during the war. Their forces will be larger, and they will be marshaled better by virtue of advances in technique. They will have many more supporters, gathered from among people who have worked with the metals and

know what they can do. But, steel has strengthened its position, too.

Steel will spearhead its counterdrive with new alloys—steel alloyed with such metals as chromium and nickel.

Alloy steel in the fight

OF THE 89,000,000 tons of steel produced last year, 13,116,000 tons were alloy steel. That's four times the peacetime peak output. This astonishing growth has far-reaching implications.

After the war, alloy steel will be competing with aluminum as a *weight-reducing material*, although it is not as light. But it is strong! Substituting alloy for ordinary steel reduces weight because you need less material. In many instances, re-designing an aluminum product to make the best use of alloy steel's qualities often produces a product almost as light, and possibly with fewer headaches in its fabrication.

Alloy steel costs more than ordinary steel, but prices are lower today and may be still lower after the war. Production facilities have been expanded enormously. If postwar alloy steel compares favorably in price with prewar ordinary steel, you will see some startling developments. Even now it is cheaper than aluminum.

Armed with these alloy steels, the steel industry feels itself to be in a favorable position to hold and conquer territory. So assuredly there will be a battle, but, it certainly will not be to the death. Both sides will win victories, and in every case the customer will win a better product.



Home-made Jeep Moves Heavy Loads

This high-powered, narrow-gauge tractor was formerly a full-sized truck which had outlived its usefulness. It was built by two mechanics in three weeks during their spare time. Axles and frame were cut down by acetylene torch and then welded.

Equipped with a winch, this jeep has

proved a life-saver and a time-saver for the Emmerson Truck and Storage Co., Battle Creek, Mich., which moves and installs heavy machinery (some pieces weighing as much as 40 tons) in war plants. Its small size enables it to scoot down long, narrow factory aisles and through narrow doors.



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*Originally Berkowitz Envelope Co.

Don't Spend!

TO GET more for your money, save it now and buy what you want after the war

FOLLOWING up its "Keep Well" crusade of last year (with its five points of health), the Life Insurance Companies of America are now sponsoring a new campaign to "Keep Prices Down." Co-operating with the Office of Economic Stabilization, the Office of War Information and government agencies, they are trying to get every adult American to manage his spending in a way to keep our dollars at face value. They point out that there is little satisfaction in today's shopping: Goods are scarce; the merchandise offered is of inferior quality and carries a higher price tag; that every unnecessary purchase competes with another; and that prices can't rise far unless somebody is willing to pay them.

Rules to stop inflation

TO KEEP inflation in check, they urge everyone to follow the seven simple rules put forth by the U. S. Government:

1. Take some of that money and buy War Bonds. Lend your country your money it needs now to fight the war.
2. Pay willingly your share of taxes—including increased taxes.
3. Provide for your own and your family's future by adequate life insurance and savings.
4. Reduce your debts as much as possible and avoid needless new ones.
5. Buy only what you need and make what you have last longer.
6. Live faithfully by the rationing rules to conserve goods of which there are shortages.
7. Cooperate with our Government's price and wage stabilization program.

Judging from the information crossing our desk there is great need for a nation-wide application of these rules.

Almost unbelievable reports are popping up in all parts of the country concerning the frenzied bidding that goes on in various auction rooms. Merchandise, neither scarce nor antique, is being knocked down to top-bidding adults having, it is quite obvious, excess money.

One dispatch tells of a woman whose successful bid for a popular brand of crockery was three times more than the price asked for identical chinaware by a department store just around the corner. Still another report relates the spirited bidding for a greasy, chintz-covered, maple bedroom chair that finally went for \$37, while new chairs of the same quality were being sold next door for around \$15.

The necessity buying of scarce, non-substitutive items at higher than usual prices is readily understandable, but reports as the above simply reaffirm that: A fool and his money are soon parted.

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(One of many Marchant "Firsts")



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The Art of Calculating as advanced by Marchant

Figure dials for all 3 factors of multiplication were first introduced to American calculators by Marchant over 20 years ago.

Today, those who know calculators best regard this exclusive Marchant feature as essential to complete calculator satisfaction.

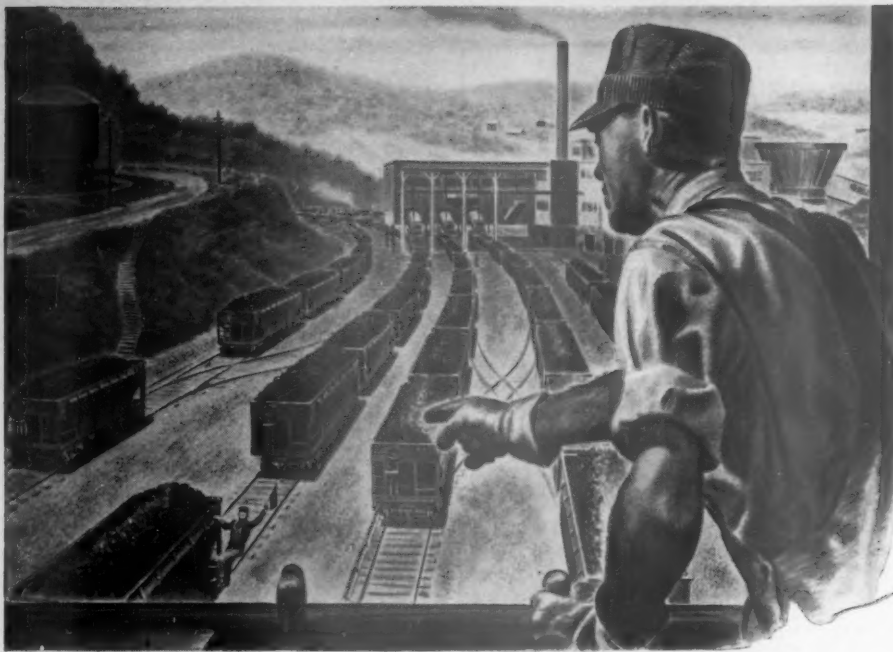
ALL 3 FACTORS stand in full review upon completion of every Marchant multiplication . . . showing at a glance a complete-dial proof of correctness, with each amount properly pointed off by decimal.

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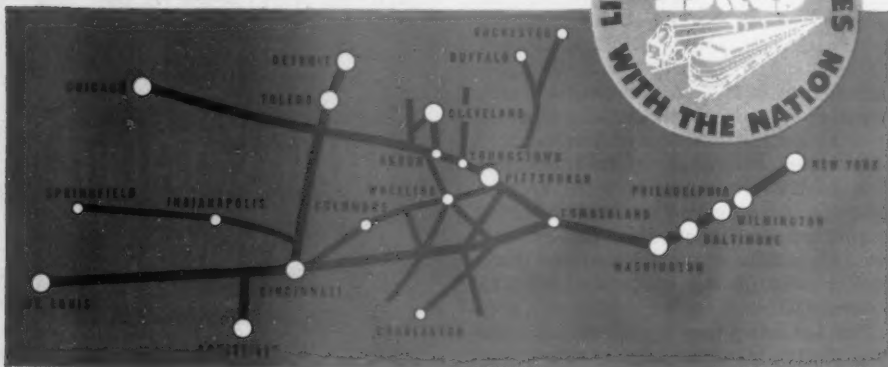


THE MIGHT OF AMERICA STARTS WITH *Coal*

At this time of world crisis, we may well thank Nature for the rich beds of coal, virtually inexhaustible reservoirs of power, beneath America's soil. To keep our war plants humming, transportation running smoothly, homes and offices comfortable, our great mining industries are producing over 53,000,000 tons of coal a month! Without this coal, America might easily be lost. ★ We, of the Baltimore & Ohio Railroad, work closely with many of the nation's greatest mines. By this first-hand knowledge, we know the hugeness of the job they do. For the B & O alone, in an average month, transports over 4,000,000 tons of coal to furnish power, light and heat to war plants and to meet civilian needs. Over our 11,000 miles of track great coal trains are thundering day and night—every car laden to capacity. Getting them through on time is one of the most important jobs for our 70,000 workers. We know that "the might of America starts with coal."

R. B. White
R. B. WHITE, President

➔ VAST DEPOSITS OF BITUMINOUS COALS, IN A WIDE VARIETY, ENRICH SIX OF THE THIRTEEN GREAT STATES SERVED BY THE BALTIMORE & OHIO



BALTIMORE & OHIO RAILROAD



Boys Behind the Engines

I. C. finds boys are interested in railroading and learn how quickly and surely

IN 1942 the Illinois Central was up a tree.

Carrying the greatest traffic load in its history, and already short-handed, it was daily losing seasoned workers to the armed forces.

To meet the situation, it established a "railroading" school to train 16-year-old boys—the only reliable source of manpower available.

The railroad called in three old-timers, whose combined experience exceeded 170 years, and directed them to organize training courses for switchmen, firemen, brakemen and flagmen.

Yards, locomotives, cabooses and classroom space were made available at Carbondale, Ill., for both oral and practical instruction. Part of a good commercial hotel was taken over for a dormitory.

Applicants for admission to the school are drawn only from the territory served by the Illinois Central. Sons and brothers of employees are given preference.

Requirements in weight, height, eyesight, hearing are precisely the same as those of any other applicant for an operating job. Successful applicants are given an intensive ten-day course without charge. Transportation to and from the school, lodging and meals are also free. Three instructors live at the hotel with the boys and are responsible for their behavior. "In bed by ten" is one rule that must not be broken.

The railroad does not guarantee any student a job; neither does any student pledge himself to work for the railroad. But so far, 700 of the 1,100 boys who have taken the course have become valued employees.

The mornings are devoted to classroom work. Safety is constantly stressed. All manner of safety equip-

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EXECUTIVE OFFICES AND PLANT
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ment and clothing is examined and explained. Movies of the right and wrong methods of work are shown and discussed.

The lads are quizzed endlessly on the company's rule book. Over and over the reasons are explained for doing certain work in the specified manner. Then, in the afternoon, the boys are taken out to the yards to apply what they are being taught.

Skeptical veterans snorted at the idea—but not for long. At Memphis, one doubting engineer tried to give a teenage fireman a "going over" by asking rapid-fire questions on operation. The lad's answers were quick and correct. The engineer then turned to his regular fireman and asked the same questions. The fireman fumbled.

"Hey, move over," the engineer told his veteran mate. "Give this boy your seat. You're the one who ought to be in school."

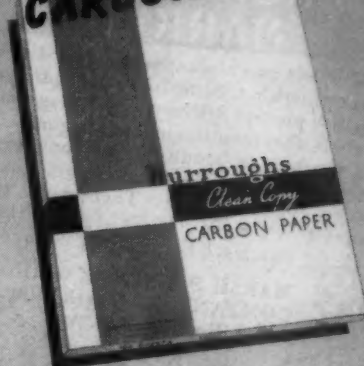
In Chicago, Engineer Murphy looked with dubious eye at the youngster who was to share his cab. He was grimly sure he'd have to keep tabs on the kid every mile of the run to see that he didn't hurt himself or queer the engine. But . . . all signals were called clearly and promptly. All signals were repeated clearly and promptly. The lad maintained a maximum of steam with a minimum of smoke. The boy got off the engine facing it, as an old-timer, instead of with his back to it, suicide-fashion. At the end of the run engineer Murphy put his hand on the lad's shoulder and affectionately said: "Well, son, you're doing all right. Between us old fellows and you kids we'll damn well keep the freight moving."

The boys are urged to save the money they earn. After a few trial runs, they are given the standard rates of pay earned by the "regulars" in that class of service. With this money, when the peace is won and the men in the armed services return to take over their old jobs, the boys can complete their education. Leaves of absence will protect their seniority rights if they return to the road after graduation.

—JOHN WARINGTON



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AND THEIR
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These Research Services give you a concise picture of what retailers are doing as shown by their daily newspaper advertising. Widely used by leading merchandisers to measure dealer cooperation. Valuable if entering a new field to reveal dealer supply sources; prevailing retail prices; extent of competitive distribution; etc.; etc.

Some clients use ACB Research to build a live list of prospective dealers who will be active in post-war era. ACB reads every advertisement in every daily newspaper. Service covers any designated area and is continuous or periodic as ordered.

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New York 17 Chicago 1 Los Angeles 4

Scientist with His Feet in the Topsoil

(Continued from page 40)

Brown watch him across the line fences. Jones began to throw little dams across gullies to hold back the flood water, just as William Osborne Bennett had done before his son's eyes more than 50 years ago.

They cost the farmer nothing but time. More than 100,000 have been built, and only four-tenths of one per cent have washed away.

For conservation and feed

BENNETT introduced kudzu to them. It was once considered a purely ornamental vine and was trained over porches. It not only nails down loose soil but it grows like mad and is a better cattle food than alfalfa.

He ran into a snarl in his dealings with the Navajos, who had grazed their sheep pastures down to bare clay. Arithmetic meant nothing to them. But it developed they were able to count up to 25. So he dealt with them on that basis. They are doing pretty well. Now they are fencing across the trails so that the sheep herds are diverted on their nightly march to the waterholes and the newly set gramma gets a chance to take root.

During the First War, farmers, tempted by high prices, ploughed up 30,000,000 acres that should have been left in grass. During the Second War they have ploughed only 1,000,000 acres. They want to hold on to their farms.

Forty-five states have now enacted laws under which farmers may—if they wish—set up Soil Conservation Districts. The hold-outs are Connecticut, New Hampshire and Massachusetts. There are now nearly 1,000 such districts. The 45 states comprise 99 per cent of the farm land of the United States. Once a district is set up, all the farmers in its boundaries must cooperate or the enterprise might fail. At the outset the conservation-minded farmers were sometimes able to create a district by the barest majorities. In one of the recent referendums the vote was 768 to one. Bennett's Soil Conservation Service provides the expert guidance but the farmers do the work. Books are kept by 15,000 farmers and reports made to the S.C.S.

"Sometimes we give them seedling trees or lend them machinery left over when the WPA went to pieces. And that's all we give them."

Dr. Bennett has bought back the old Bennett farm in what used to be the Lick Skillet neighborhood.

"I hope to live long enough to cut for the market some of the 38,000 seedling trees I planted. The old farm was washing away."

Not many things happen overnight. But when Bennett's hoped-for 20 per cent is added to the farm production of today it will be a great thing for the small towns.

The Alfa Electric Shear



An excellent powered cutter with hinge-and-spring suspended upper blade, for large volume of cutting and trimming of blue prints, photostats, etc.

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Treadle
Trip for
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M.S. Walker, Inc.
BOSTON, MASS.

Living Costs:



**GOOD statisticians don't lie
but their figures can't tell the
whole story**

THE Bureau of Labor Statistics says living costs have gone up 23.4 per cent since January 1, 1941. George Meany of the AF of L and R. J. Thomas of the CIO say they have gone up 43.5 per cent.

Whose figures are correct? And can statistical averages entirely represent the real changes in living costs?

What are living costs anyway? Are they based on the weighted average increase in things we once could buy in unlimited quantity if our funds permitted—or are they based on what a family actually spends on what it can get of the limited supply now available?

Real expenses are down

WHAT we are interested in is: How does the actual cost of maintaining a family today compare with two or three years ago? Examining that question in the light of my own experience provides some interesting information.

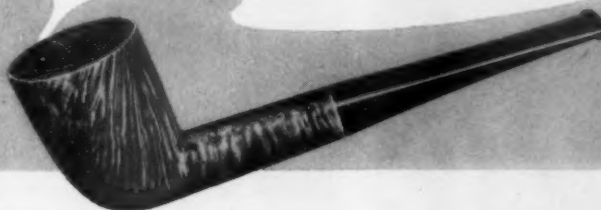
My rent is the interest on a moderate mortgage, the taxes and maintenance of my house. The interest rate is no higher than it used to be and will probably be reduced through a refinancing operation. On other houses which I own and rent to tenants, the rent is fixed by a rent ceiling, so that my tenants pay no more rent than they used to. My real estate taxes have not increased. Repairs and maintenance are necessarily at a minimum because of material shortages.

We get milk only every other day instead of every day and therefore use it more carefully. Since butter is rationed, we use it carefully and pad our supply with substitutes. So even though the price per pound for butter is higher, our cost of butter and substitutes is less. Again our meat consumption is not only reduced by rationing; we can't get expensive meat cuts so that we buy the cheap grades of meat and more chicken and fish.

We have no victory garden, unfortunately, but those who have one would have spent for vegetables.

Restrictions on the use of fuel for heating, in my case, just about balance the increase in the price of oil. My gas

... the memory
lingers on...



Hollycourt

The Miracle Pipe - It Stays Dry

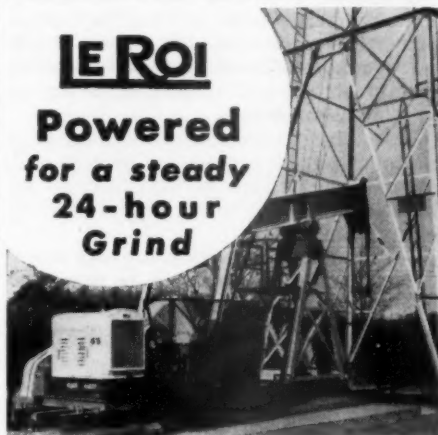
Remember when you could buy a new Hollycourt Pre-Smoked Pipe? Remember how sweet, cool and dry it tasted? The memory of those pre-war days lingers on with thousands of men who know and want Hollycourt pipes with the patented groove in the bottom of the bowl.

We are sorry your requests can't be filled today... but Hollycourt will be back.

That's a promise.

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for a steady
24-hour
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For Many Oil Well Pumps

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DIVIDEND NOTICE

Common Stock Dividend No. 113

A cash dividend declared by the Board of Directors on March 15, 1944, for the first quarter of the year 1944, equal to 2% of its par value, will be paid upon the Common Capital Stock of this Company by check on April 15, 1944, to shareholders of record at the close of business on March 30, 1944. The Transfer Books will not be closed.

E. J. BECKETT, Treasurer
San Francisco, California

THE
Carlton

RATES
FROM
\$6

16th & K - WASHINGTON, D. C.

and electric rates are no higher and, having accustomed ourselves to economies in everything, we are more careful with the use of the gas stove and house lighting. As a result our utilities bills have actually decreased.

The limitation of gasoline has so restricted the use of our automobile that fuel and repair bills are cut materially. We have bought only two tires in two years. Since we cannot buy a new auto, our budget—and that of hundreds of thousands of families—no longer includes the regular monthly payment which was once almost a permanent part of it. The same applies to the monthly payments on refrigerators, radios, ranges, sewing machines and innumerable other things that most of us used to buy every few years.

I do not know how clothing prices have changed because I bought very little in the past year. My wife also bought less so we certainly have spent no more on this item of living.

Smaller families cut costs

ALL those who have sons or daughters in the services are relieved of the cost of feeding, clothing and educating them and, in some cases, those in the service are sending small payments home.

Granted that, in every case, the family would gladly pay much more than the saved expense to have the service people home, I am here merely trying to look at the situation objectively as those who prepare cost of living figures are supposed to look at it.

I realize, too, that when the family breadwinner is in the service, the income is seriously lowered. But, again I am not speaking of income of those families—only of the actual cost of living in civilian households.

Life, fire and automobile insurance premiums have stayed practically constant through this period. Interest on borrowed money is no higher and in many cities is less.

Another item on which a great many people are saving money is servants' wages. Many families are doing their own housework and showing real economies that way.

I am wondering whether those who compute the increase in the cost of living consider these facts. They are, of course, difficult to determine but can be arrived at by taking the average actual living cost of families as of 1941, 1942 and 1943 and comparing them in gross amount instead of in percentages of increase in the cost of bread, butter, vegetables, fruit, rent, clothes, furniture, transportation, and the like.

Perhaps the average family has not all these opportunities for economies but it has the ones that are forced on it by rationing and restrictions and by cutting down on luxuries. It is the cost of living under existing conditions of rationing and unavailability of many things that we are really interested in, not the cost of living as it would be if there was an abundance of everything and we could and would buy our normal requirements of everything.

—FARLEY GANNETT



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ONE THAT REALLY WORKS

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Morton succeeds—even where "homemade" systems fail—because workers like to use this impartial system. Morton users gain access to ideas worth literally millions of dollars every year.

The cost to each Morton client is low because of the volume in which the material is produced. Operation is simple too—Morton provides the complete program for you.

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At home with the family of Richard R. Mann, Equitable policyholder of Columbus, Ohio

The Future Is Bright for Dick Mann's Family

SOME time after the war is won, Dick and Bernadine Mann plan to build the house they've dreamed about ever since they were married.

Bernadine is eager for a modern kitchen. Dick wants a furnace he doesn't have to stoke. Seven-year-old Anita's desire is a big yard so she can have a dog, and five-year-old Shirley asks for "a swing that hangs from a tree." Richard Jr., age one, is too young to express an opinion, but he'll want plenty of room to romp in.

* * *

Right now, the Manns rent a house, in Columbus, Ohio. Dick is a war worker at the Capitol Manufacturing and Supply Co. The Equitable insurance he owns is playing an important part in his plan for living and preparation for the future.

Dick himself was one of eleven children, and as he says, "We had plenty of hard times. When I started working, I made up my mind that, as far as possible, I'd see there were no rainy days for my family. Every family is entitled to security, and life insurance is the best way I know to get it."

* * *

The Manns look forward, some day, to "taking it easy." His wife says, "Dick and I were surprised to find how much

retirement income for our older years, as well as protection now, we were able to arrange when we worked out a program with our Equitable agent combining our Social Security benefits, Dick's group insurance and his individual Equitable policies."

At the moment, little Anita says she is going to be a trained nurse when she grows up. One thing the Manns know is that whatever careers the children choose, there will be money for their training.

"I never went to college, and neither did Bernadine, but you can bet our children are going to have the chance we missed," Dick says. "That's one important part of my Equitable program—a guaranteed education fund for each of the youngsters. To us that's the American way—knowing that your children will have a better opportunity than you had."

* * *

In the evening, when the baby has been put to bed, the Manns like to talk about their plans for the future. That new home they will build, "just a nice bus ride from Columbus"—the advantages they plan to give their children—their own hopes for leisure some day.

Like so many other American families, these are the things the Manns are building toward, saving for, planning on.

Dividends to Equitable Policyholders Increased

THE continuing progress made by The Equitable Society has made it possible to extend additional advantages and services to our policyholders.

Among these is the increase in the dividends to be paid to policyholders in 1944, applying to most types of individual policies.

This action reflects the favorable trend of mortality experience in recent years and the continued financial progress of the Society. During the past several years, the Society has been substantially strengthening surplus and reserves. This has now progressed to the point where it is felt that an increased distribution of dividends for 1944 can prudently be made.

The total amount set aside for dividends on December 31, 1943 is \$41,400,000, compared with \$36,802,000 on December 31, 1942.

Every day of 1943, an average of \$587,000 in benefits was paid to Equitable families—a total of \$214,388,000. This included payments of \$1,552,000 to the families of 547 members of our Armed Forces who died in service while protected by individual Equitable policies.

As a service to the nation, The Equitable has developed, through its group insurance facilities, a program of world-wide life insurance protection for civilian employees of the United States Government serving overseas. This gives the American serving his country as a civilian, protection comparable to that provided for members of the Armed Forces under National Service Life Insurance.

Using a part of their current earnings to set up permanent protection for the future, thousands of far-sighted families created \$294,544,000 of new Equitable protection last year under individual policies. Equitable group life insurance increased \$352,548,000. In all, 3,050,000 persons own \$8,445,578,000 of Equitable life insurance—a record high.

During 1943, the Society's assets crossed the three billion dollar mark. The Society purchased \$458,850,000 of U. S. Government securities last year, and at the end of 1943 owned a total of \$981,351,000.

Today Equitable funds are helping to speed victory through investments in the securities of the Government and American industries. When the war is won, Equitable funds, directed into sound and diversified business enterprises, will help industry provide jobs for our returning soldiers and for workers now making war equipment.

Thomas T. Parkinson
PRESIDENT

YOU WILL ENJOY READING the story of Dick Mann's family in "YOUR POLICY"—The Equitable's annual report. This booklet contains practical information, with actual family programs worked out. Ask any Equitable agent for a copy, or write to the Home Office, 393 Seventh Ave., New York 1, New York.

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

A Mutual Company Incorporated under the Laws of New York State



The "pup" that meets all trains

HIS home is in a little town—and the railroad station is a long trot away. But rain or shine, snow or sleet, this wistful dog is down there on the platform twice a day—waiting for a pal he's always sure the next train will bring back.

Again war has made the railroad station the focal point of life in America's cities, towns, and villages.

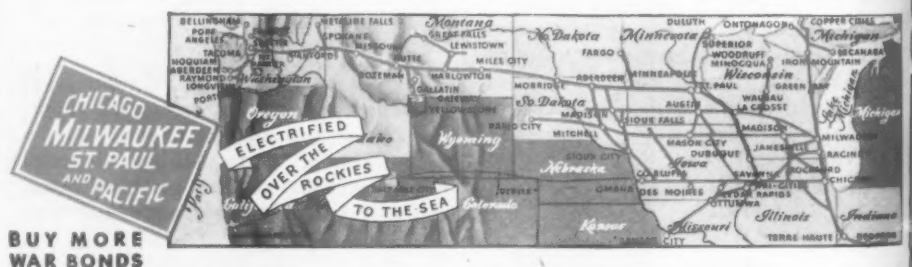
Brave good-byes are said there—excited greetings shouted. And over the glistening rails, by day—into the signal-lit, shadowy vastness of the far beyond by night—click the freights, the troop trains, the crowded limiteds, the fast mails of a nation speeding up its date with Victory.

Such are the trains that serve the towns and cities on The Milwaukee Road's 11,000-mile system. Between the Great Lakes and the Pacific north coast,

in big city terminals and unpretentious depots, the story of America at war unfolds, in all its drama, day after day.

The Milwaukee Road is ever mindful of its duty to the men and women in the armed services. Their needs must and will be met.

At the same time, The Milwaukee Road is making every endeavor to maintain adequate and dependable service for all the people in all its territory—and this goes for the "Way Station", where the pup meets all trains, as well as for "Big Town".



THE MILWAUKEE ROAD

SERVING THE SERVICES AND YOU

Capital Scenes... and What's Behind Them



Might as well be calm

"MAYBE you haven't noticed it," said the Senator, "but it is almost impossible to see the with hate when you are smoking a pipe. There is something contemplative and philosophic in the instrument. The Indians could come in from the field and wash the blood off their hands and heat up the calabash and pretty soon another crisis would pass. It is an old American custom that should be revived. 'You can't swear much when you have a pipe in your mouth.'"

A nation of pipesmokers would see that the current disputation between Congress and the President is perfectly normal in a democracy. The war effort will not be impeded. Congress will give the armed forces all the men and money they need and will not interfere with their conduct of the war. What more can be asked?

As a historian sees it

HE HAS been talking with a historian who is going to write a book about the present Congress. The man is perfectly calm. He thinks we are in the middle of one of the most important periods of the American story and does not pretend to foresee what may come of it:

"Only one thing. He thinks that the power of the voter will be shown once more. That's democracy."

The historian runs back through American history and observes that it takes time to get the voter warmed up. He is interested in his crops and his business and until he is almost as much interested in what is going on in Washington he does not make himself felt. When he does Congress begins to function.

Down among the grass roots

THE Senator observed on his own account that, in past conflicts between Presidents and Congress, the voters have usually supported the President on matters affecting our foreign relations:

"The voter never really cares whether the Russian moujik is put upon or whether English aristocrats

habitually wear silk hats. But when his individual interests are affected he talks to his congressman.

"In the long run a Congressman follows the voter for two reasons. First, his election depends on keeping in close

touch. Second, he thinks the way the voter does. He was bred that way."

A rule for all democracies

EVERY FREE nation goes through this sort of thing at intervals, the Senator said. Like taking sulphur and molasses in the spring.

"Over in England they are going through the British version of what we Americans are doing right now."

The British supported the war effort loyally. There were about as many strikes in England as we have had. They pay about as much in taxes as we do. They have not interfered with their military chiefs and they watched the plans for world politics with eyes that were just about as blank as ours.

But the Opposition is now stepping right on Churchill's heels. It is being fairly well informed on what is going on.

"Better than we are, in fact."

If the public does not like what it sees, the doorsteps will be soaped at Ten Downing Street and Churchill knows it.

Congress wants to know

THE ENGLISH are more or less used to play-by-play reports in world politics. They live right on top of the only known volcano that has been continuously active for 1,000 years. We are not bothered by dangerous neighbors, said the Senator. The voters have not been watching the score in Czechoslovakia and the Low Countries.

"But world politics is coming right into our homes and sitting down by the kitchen stove."

If we take a hand in straightening out postwar affairs in Europe, we will have to raise armies for export from now on. The Senator thinks the voters are not going to like this prospect so well.

"We want to come home"

"WATCH the reports," said the Senator. "You will see that the soldiers are a little puzzled by this war. Hanson Baldwin wrote the other day that 'the men are not convinced. They want to know what they are fighting for.'"

"Ernie Pyle has written about the same thing. The practically unanimous statement is:

"We want to come home."

They are fighting magnificently. Boys who have been trained just long enough

to be automatically sure in their motions are standing up to the finest veterans in Europe and to the fanatic Japs as though they had been fighting all their lives. No army in the world's history ever fought better.

"But they are puzzled. It is one thing to give everything for their own country. The other objectives are vague to them."

That is why the Senator thinks the recent proposal to extend our Good Neighbor policy all over the world will not win more than lip service in Congress.

"Maybe not that."

Not a partisan affair

"I'VE BEEN telling you," said the Senator, "that when it comes to the showdown on matters affecting the national well-being, Congress would settle down in its chairs and begin to smoke its pipe."

There are violent partisans, of course, and angry men, and pennyweighters who say unwise things. But he believes that a majority in both Houses are conscientious in action. He is certain that nothing will be done which might in any way impede the war effort:

"But I've said that before."

Support of the Constitution

MOST of the present trouble between Congress and the Executive could have been avoided. Now it promises to be a long fight on the issue of the Constitution vs. the President:

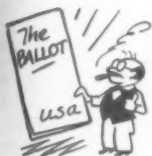
"If Mr. Roosevelt had consulted with the key members of both Houses and both parties we would have given him almost everything he wanted. Look at the record. It was not until the underlings began to defy Congress that the dispute became serious."

The presidential conferences, he said, were often mostly monologues. There were not many of them. But the chief congressional complaint is that the men of The Palace Guard—that's the commonly used term in Congress—formed the policies the President has followed.

"Names? Harry Hopkins is not rated as a policymaker, but he is an ardent yes-man. In his eyes the President is never wrong. Justice Frankfurter has the ear of the President more than any other man. Judge Sam Rosenman writes many of his speeches, although it has been denied that he wrote the veto message that brought the quarrel into the open. Stabilization Director Vinson is another of the small group who help form policies. There are others who run down toward the small time."

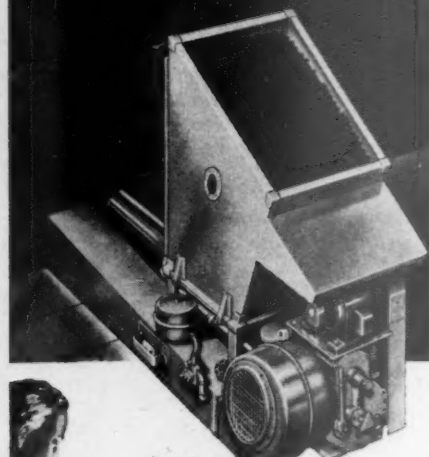
Some reasons are selfish

SOME of these men, said the Senator—"not those I have named"—are deliberately urging on the dispute between Congress and the President. They are



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feeding criticism of Congress into every channel that will take it. Editors, radio speakers, commentators. They believe that popular respect for Congress can be so broken down that the President can have his way, which is their way.



"They harp on the alleged lack of cooperation."

But they would cooperate only one way. If they win, the next few years will witness another move toward the left. If they lose, they are out of their jobs.

Census of presidential powers

CONGRESS will take what amounts to a census of the powers granted the President:

"We don't know what we told him to go ahead and do and we don't know what he can do without being told. That's a fact."

Two or three years ago Senator Byrd revealed that there are about 58 more or less independent corporations running at large. No one knows how much they have spent, what their collective assets may be, how much they have on hand, or how much they have the statutory privilege of borrowing.

Congress as a whole did not even lift a sigh. The Senator thinks these corporations will be barbecued now that the taxpayer doesn't look over his shoulder for fear he may see a tax collector.

Reforming on the hill

MEANWHILE Congress will attempt to reform its own methods. That may be a little more difficult and a good deal slower:

"But we'll have to do it. Lawsy, we've been meaning well enough, but we've bungled like the dickens. We work hard individually but collectively we waste time. We must streamline our committee practices, for instance. Half our complaint that the Executive has bypassed the Constitution is chargeable to our own befuddled methods."

A bill now before the House provides for the creation of a Congressional Bureau of Efficiency. There was once a Bureau of Efficiency in the Executive Department under the direction of Herbert Brown. It was stamped out because it was too unrelentingly efficient. Remember?



The horse and buggy days

SPEAKER Tom Reed used to run the House as though it were a wheelbarrow. Speaker Joe Cannon came along and did the same thing. Speaker Longworth and Minority Leader Jack Garner were a working team:

"We sobbed about tyranny," said the Senator, "but we got things done. Pretty good things, too."

The Executive even then was trying to have bureaus created which could be armed with regulations that had the effect of law. They wanted to be their own lawmakers, prosecutors and judges.

"That is precisely what they are now, and they are strengthened by the decision Justice Frankfurter wrote for the Supreme Court. Reed used to say such bodies were the illegitimate off-spring of power and had no place in our constitutional government."

That Kefauver resolution

EDMUND C. BURNETT, the eminent Carnegie Foundation historian of the Revolutionary period, has pointed out that the Continental Congress gave the Secretary of Foreign Affairs—early American for the Secretary of State—the "privilege" of appearing before Congress to explain and defend his acts and policies. So a precedent was set.

"I think the Kefauver resolution will be adopted in the end," said the Senator. "It gives Congress authority to summon members of the Cabinet to tell what they are doing. Under our present system even federal employees are bold enough to defy Congress."

"That's one for the book."

Wild life on the Potomac

IT WILL not be enough, he said, for Congress just to receive and file away unpleasant facts. Not any more. For at least a brief period, a congressman must get up with the milk crew if he wants to hold on:

"John B. Blandford," he said, "chief of the war housing authority, has been talking frankly with the appropriate committee of the House every week. No one doubts his word. But no one seemed to realize that some of the war houses were built on cold hills or in swamps or on sliding ground. Representative Taber called it a 'mess.' Millions were wasted."

But the facts did not register. Not even the fact that although Puerto Rico has \$65,000,000 excess tax revenue the federal Government is being asked to chip in \$3,000,000 for a waterworks system. He thinks Congress must forget a lot of little things and get busy on the big ones. Because the world's largest debt is hanging over our heads.

He'd let Russia do it

AND not for the world would he interfere with Russia, if that stout country should wish to dominate Europe after the war:

"It would be a load off our shoulders," he said. "If Russia does not boss the continent the rest of us will. And speaking from the point of view of one little man who had been kind of looking forward to peace, that would be just too bad."

Herbert Brown